

# Annual Comprehensive Financial Report



For the fiscal year ended on June 30, 2021

## MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

A Component Unit of the  
Matanuska-Susitna Borough  
Palmer, Alaska



*We prepare all students for success*

# Annual Comprehensive Financial Report

For Fiscal Year Ended  
June 30, 2021

## MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Dr. Randy Trani  
Superintendent of Schools

Prepared by Business Services

Luke Fulp, MBA, SFO  
Deputy Superintendent of Business & Operations

Zachary Albert, CTP  
Director of Finance

Alicia Campbell  
Accounting Supervisor



**MATANUSKA-SUSITNA**  
BOROUGH SCHOOL DISTRICT

A Component Unit of the Matanuska-Susitna Borough  
Palmer, Alaska



**MATANUSKA  
SUSITNA**  
BOROUGH SCHOOL  
DISTRICT

*We prepare all students for success*

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Annual Comprehensive Financial Report**

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# Introductory Section



*We prepare all students for success*



November 15, 2021

Members of the Board of Education and  
Residents of the Matanuska-Susitna Borough School District  
Palmer, Alaska

The Annual Comprehensive Financial Report (ACFR) of the Matanuska-Susitna Borough School District (District), for the fiscal year ended June 30, 2021 is submitted herewith. This report was prepared by the District's Business Services department in accordance with generally accepted accounting principles (GAAP) as defined by the Governmental Accounting Standards Board, and the guidelines recommended by the Association of School Business Officials International. The statutes of the State of Alaska require that the School Board provide for an audit by an independent certified public accountant of all school accounts within ninety days following the close of a fiscal year.

Responsibility for the completeness and fairness of the presentation as well as the accuracy of the presented data and disclosures rests with the District. The data, as presented, is based upon a comprehensive framework of internal controls that have been established for this purpose. Because the cost of internal controls should not exceed the anticipated benefits, the objective is to provide reasonable assurance that the financial statements are free of material misstatements. We believe the material is accurate in all aspects and is presented in a manner designed to fairly set forth the financial position and results of operations of the District as measured by the financial activity within its various funds. All disclosures necessary to enable the reader to gain the maximum understanding of the District's financial affairs have been included.

The District's accounts and financial records have been audited by BDO USA, LLP, a firm of independent certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2021 are free of material misstatements. The independent audit involved examination, on a test basis, of evidence supporting the amounts and disclosures in the financial statements; assessment of the accounting principles used, and significant estimates made by management; and evaluation of the overall financial statement presentation. Based upon the audit, the independent auditors concluded that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2021, are presented fairly and in conformance with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

As a recipient of more than \$750,000 in Federal grant awards, the District is required to undergo an audit in accordance with the provisions of the U.S. Office of Management and Budget's (OMB) Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and associated Compliance Supplement. A Schedule of Expenditures of Federal Awards, the Independent Auditor's Reports on internal controls and compliance with applicable laws and regulations, and a schedule of findings and questioned costs are included in accordance with the Uniform Guidance as required.

As a recipient of more than \$750,000 in State grant awards, the District is also required to undergo an audit in accordance with the provisions of Alaska State Regulation 2 AAC 45.010 and Audit Guide and Compliance Supplement for State Single Audits. A schedule of State Financial Assistance, the Independent Auditor's Reports on internal controls and compliance with applicable laws and regulations, and a schedule of findings and questioned costs are included in accordance with the State of Alaska Audit Guide and Compliance Supplement for State Single Audits.

Along with the basic financial statements, GAAP requires that management provide a narrative introduction, overview, and analysis in the form of Management's Discussion and Analysis (MD&A). This

letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors.

## **Annual Comprehensive Financial Report (ACFR)**

The District's ACFR consists of four parts:

1. The introductory section includes this transmittal letter, a list of the elected officials of the School Board of Education (Board) and their offices held, a list of selected administration officials, and the District's administrative organizational chart.
2. The financial section consists of the Independent Auditor's Report, Management's Discussion and Analysis (MD&A), the basic financial statements, required supplementary information, and combining and individual fund statements and schedules. Combining statements are presented when the District has at least one non-major fund of a given fund category. Various combining statements are also presented to demonstrate compliance with the Alaska Department of Education and Early Development's *Uniform Chart of Accounts and Account Code Descriptions for Public School Districts*.
3. The statistical section provides trend data and non-financial information which is useful for assessing the financial condition of the District. It also includes demographic and other miscellaneous information. Some tables present District data that has been combined with data provided by the Matanuska-Susitna Borough (primary government) to give a consolidated overview of the District's financial status.
4. The Single Audit Section includes the Independent Auditor's Reports, as well as a Schedule of Findings and Questioned Costs. Also included in this section are the Schedule of State Financial Assistance and Schedule of Expenditures of Federal Awards.

## **The Reporting Entity**

All funds of the District are included in this report. The District is a component unit of the Matanuska-Susitna Borough (Borough), and therefore its financial data are also required to be reported in the Annual Comprehensive Financial Report of the Borough. Audited financial statements for the Borough are available upon request from its administrative offices. Pursuant to AS 29.35.160, the Borough has delegated the responsibility of establishing, maintaining, and operating a system of public schools to the District. Governing authority has been delegated to the District's School Board, which is comprised of an elected seven-member voting board and one non-voting student member.

### ***Relationship with Matanuska-Susitna Borough***

Pursuant to Alaska Statute 14.12.020(c), the Borough Assembly is responsible for providing the funding that must be raised from local sources to maintain and operate the District. Alaska Statute 14.14.060 states that a borough can establish a centralized treasury and is responsible for major rehabilitation, all construction, and major repair of school buildings. Since the Borough is responsible for all construction and the related debt service, expenditures for debt service and the taxing authority necessary to repay the debt are reported in the Borough financial reports. Outstanding debt obligations for Fronteras Spanish Immersion Charter School are recorded on the District's financial statements based on agreements with the Borough outlining debt repayment terms.

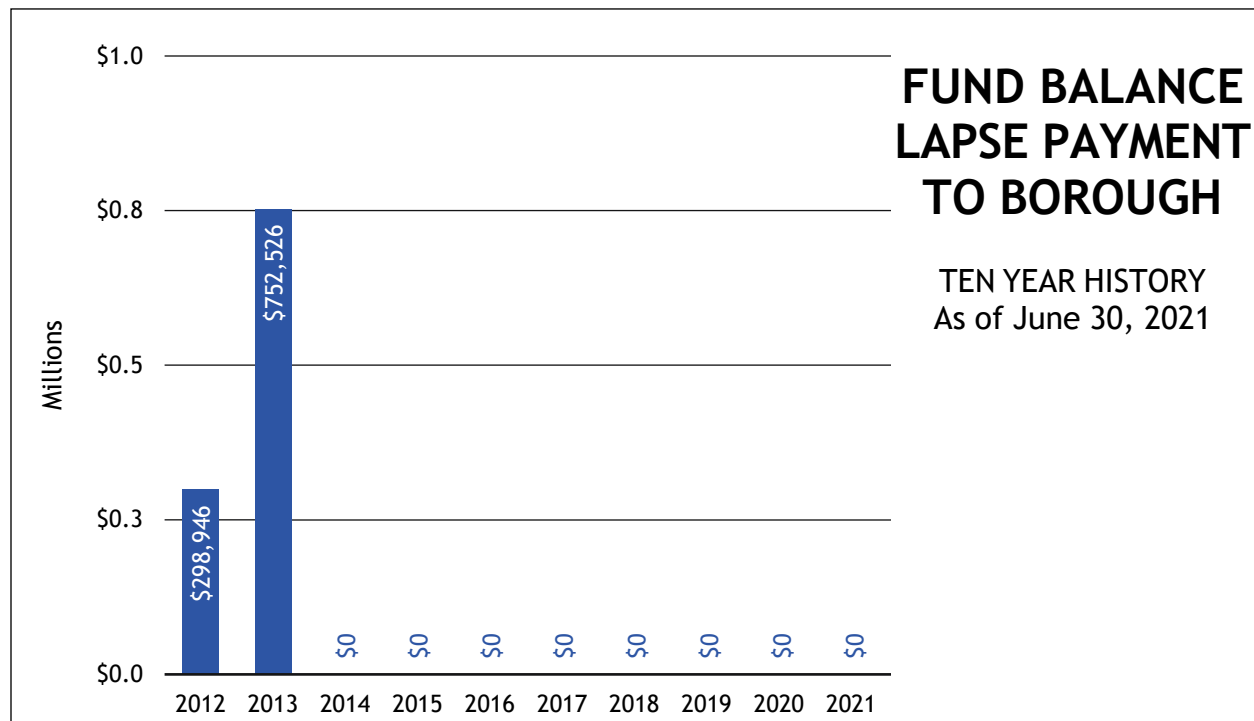
In many respects, the two governments operate independently. However, the Borough has historically monitored the District's unexpended funds at the end of each year and required that a percentage be returned to the Borough. As of FY 2013 the District, under Borough Code 3.04.110(a)(c), was required to return 25% of the annual increase in unassigned fund balance to the Borough in the form of a lapse payment. The lapsed funds were then accounted for in the Borough's reserve for school site acquisitions. At the end of FY 2014, FY 2015, FY 2016, and FY 2017, the Borough Assembly waived the lapse payment requirement and allowed the School District to keep any increase in unassigned fund balance.

On March 21, 2018, the School Board approved Resolution 18-005, which included a request that the Borough remove all lapse requirements under Borough Code 3.04.110 (a)(c). On June 19, 2018, the

Borough Assembly voted to adopt MSB Ordinance 18-065, which allowed the District to carry over all of its unassigned fund balance and any increase to unassigned fund balance at the end of each year. This ordinance effectively repealed the lapse payment and encumbrance requirements that were previously in place. By removing these requirements, the Borough allowed the District to maintain its encumbrances until the purpose for which they were made had been accomplished or abandoned and also allowed the District to maintain its fund balance consistent with Alaska Statute 14.17.505(a). Under Alaska Statute 14.17.505(a), a school district is allowed to accumulate unassigned fund balance up to 10% of its general fund expenditures in a given fiscal year. For the District, 10% of general fund expenditures equals approximately \$25.6 million. Due to the COVID-19 public health disaster emergency, the State's 10% limitation has been suspended for FY 2020 through FY 2024.

Chart 1 represents the District's historical fund balance lapse to the Borough.

Chart 1



Included in the Financial Report are numerous statistical tables presenting a financial and statistical history of the District for the last ten years. Some tables present District data that has been combined with data provided by the Matanuska-Susitna Borough to give a consolidated overview of the District's financial status.

#### *Board of Education - Governance of the School District*

Alaska Statutes sections 14.12.030-180 provide for the creation of school districts in the State of Alaska and establishes a school board as the governing body for each district. The seven voting members of the Board determine policy for operation and management of the District. Each member is elected annually for overlapping terms and serves for three years. In addition to the seven voting members, a non-voting student representative serves in an advisory capacity to the Board. The daily operations of the District are under the general supervision of the Superintendent.

### **Profile of the District**

The Matanuska-Susitna Borough (Borough) is situated within Southcentral Alaska and encompasses an area more than 25,000 square miles in size. The vast topography of the area includes mountain ranges, valleys, glaciers, rivers, lakes, wetlands, tundra, boreal forest, farms, and majestic stretches of pristine wilderness. The Borough includes portions of the Alaska Range to the north, the Chugach Mountain Range

to the south, and most of the Talkeetna and Clearwater Ranges towards the interior of the Borough. The three incorporated cities located within the Borough include Wasilla, Palmer, and Houston. The Borough's core area, where a majority of the population lives, is commonly referred to as the "Mat-Su Valley". Aptly named, the Mat-Su Valley is bordered to the east by the Matanuska River and on the west by the Susitna River.

More than 100,000 people currently reside within the Borough. The Borough is located just 35 miles north of Anchorage, enabling approximately 34% of the population to commute there each day. Estimates based on information obtained from the 2010 US Census indicate that approximately 83% of the Borough population identify as white, 9% identify as two or more races, and 5% identify as American Indian or Alaska Native. The remaining 3% identify as Asian, Black or African American, Native Hawaiian or Pacific Islander, and other or unidentified. A little more than half (52%) of the Borough population is male. A majority of the Borough's households (57%) consist of married couples, with an average family size of four.

Almost 10% of the Borough's population is made up of veterans, with approximately 95% of those veterans having served in either the Vietnam or Gulf Wars. The education level achieved among the adult (25 years and older) population of the Borough consists of approximately 8% having attained less than a GED or high school diploma, and 32% having attained a GED or high school diploma. About 30% have completed some college coursework but have not completed a degree, and an additional 30% have completed a college degree.

In FY 2021 the Matanuska-Susitna Borough School District (District) served 17,885 students through 47 school locations, with education being delivered using in-person, correspondence, and blended models. The District provides education programs to students in pre-kindergarten through 12th grade and puts students and families first by providing public school choice among 17 elementary schools, five middle schools, six high schools, seven small attendance area schools, and one comprehensive correspondence/home school program. Additionally, the District hosts six charter schools and five alternative education schools, which offer a wide range of specialized programs including a second correspondence/home school option.

Because the Borough is the fastest growing area within the State of Alaska, new schools have been added in recent years with the construction funded through voter-approved bonds. In FY 2017, the District opened new facilities for Dena'ina Elementary, Iditarod Elementary School and Fronteras Spanish Immersion Charter School. Portable buildings are also constructed or relocated as necessary to support enrollment growth and program needs.

## **District Vision, Mission, Beliefs, Goals, and Guiding Principles**

The School Board is an elected body consisting of seven community members and one non-voting student body representative. As the governing body responsible for the stewardship of public funds for education within the Borough, the School Board determines policy for the operation and management of the District and sets priorities. The School Board establishes a vision, mission, beliefs, goals, guiding principles, and objectives that provide a framework under which the Superintendent operates.

### **Vision**

Mat-Su Borough School District will be a model of excellence in teaching, learning, and engaging all students.

### **Mission**

Mat-Su Borough School District prepares all students for success.

### **Beliefs**

- We believe that the needs and best interests of students drive all decisions.
- All students can and want to learn.
- Educational choices and community participation are essential to student success.

## Goals

1. Improve student success, achievement, and performance.
2. Develop excellent educators and leaders.
3. Use innovative practices to improve the education system.
4. Include families and community members in the education of our students.
5. Promote safe and healthy environments for all.

## Guiding Principles

These Guiding Principles will drive our decisions in our responsibility to our students, families, and community:

- Stewardship
- Accountability
- Empathy
- Quality
- Integrity
- Respect
- Collaboration
- Commitment

## Long-Term Strategic Plan

As an established best practice in government finance, the District utilizes a long-term strategic plan that includes five key strategic priorities and spans four fiscal years. These strategic priorities align with School Board Goals above.

- Student Achievement
- Educational Equity
- School Safety, Security, and Climate
- Innovation
- Facilities Management & Capital Planning

Nested within each strategic priority are annual objectives intended to support advancement towards the overarching goals of the School Board. While each priority area is distinct in its nature, they work cohesively to meet the District's overarching mission to "*prepare all students for success*".

## Accountability

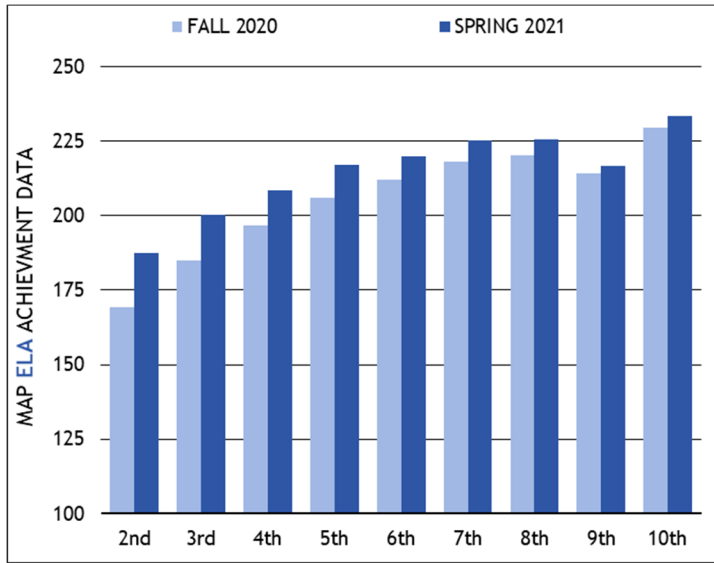
The District is accountable to its stakeholders in many ways. The following assessments and measures highlight student achievement results and the successes of the District's educational programs.

### *Northwest Education Association's Measures of Adequate Progress (NWEA MAP)*

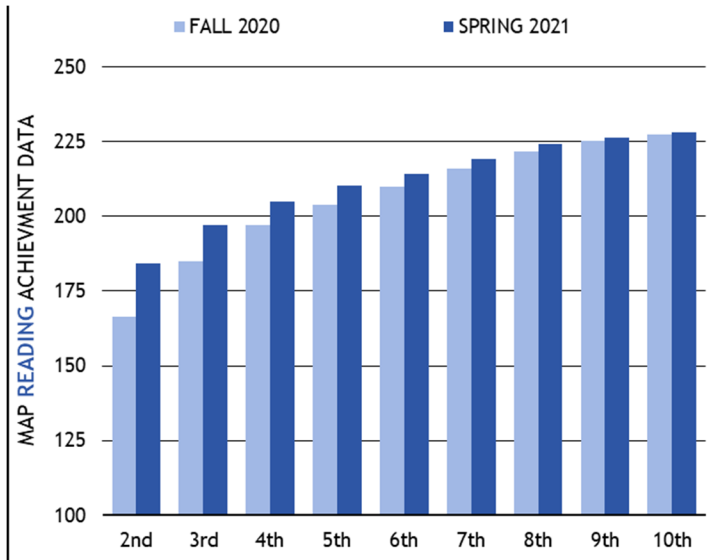
Over the past decade, the District's students have participated in a nationally normed assessment called the MAP assessment. This assessment informs students, parents, and school staff how an individual student's academic achievement compares to their peers across Alaska and the United States. MAP covers the subjects of English Language Arts (ELA), Reading, and Math (Chart 2).

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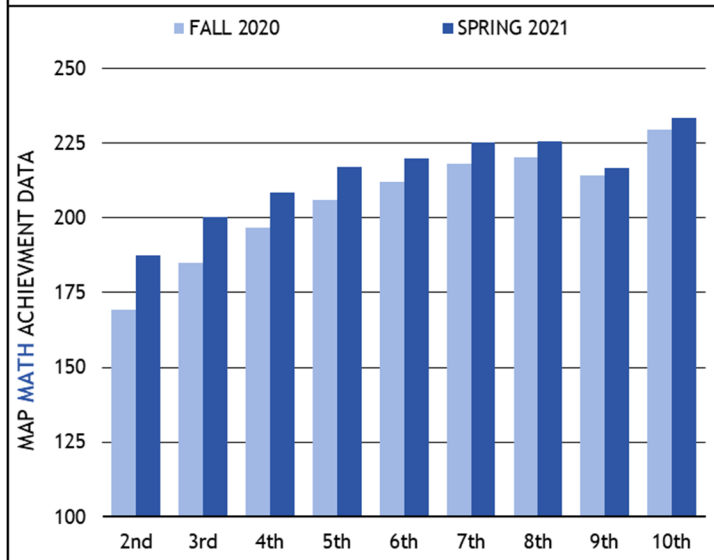
Chart 2



Out of the 54 school districts in Alaska, 51 participate in this assessment. Chart 2 shows growth experience by the District based on average grade level RIT rankings in comparison to Fall 2020 and Spring 2021 testing. Trends indicate that the District students' overall achievement is average. The District's median achievement is at 54%; and median growth is at 50%. This means that half of all District students' MAP Growth scores (across all subjects measured) were above the 54<sup>th</sup> percentile. Looking at growth from fall to spring, the median growth percentile for District students was 50%, which is exactly equal to the average national norm for growth. This means that the District students' scores grew at about the same rate as students across the nation.



In general, student in early grades have an average MAP score below the national average and by high school the District's students' average MAP scores exceed the national average. This is attributed to a comprehensive multi-tiered system of support at each school where learning interventions and targeted instruction result in student growth of more than a year.



## State Standards & Assessments

In FY 2015, Alaska adopted new, and much more rigorous, literacy and math standards, called the PEAKS assessment. PEAKS measures a student's understanding of the skills and concepts outlined in the Alaska English Language Arts (ELA), and Mathematics Standards, which have specific and rigorous expectations for growth in student's skills across all grades. The PEAKS assessments are administered to students in grades 3-9.

A recent study by NWEA indicates that students must be in the 45<sup>th</sup> to 75<sup>th</sup> percentile to earn a "proficient" rating on the PEAKS assessment, as compared to the 37<sup>th</sup> percentile on the previous SBA assessments. In comparison, students need to be above the national average on MAP to be proficient on PEAKS.

Chart 3

MAP Score Required for PEAKS Proficiency		
Grade	ELA	Math
3	61	45
4	55	48
5	55	53
6	53	56
7	57	68
8	66	75

Chart 4

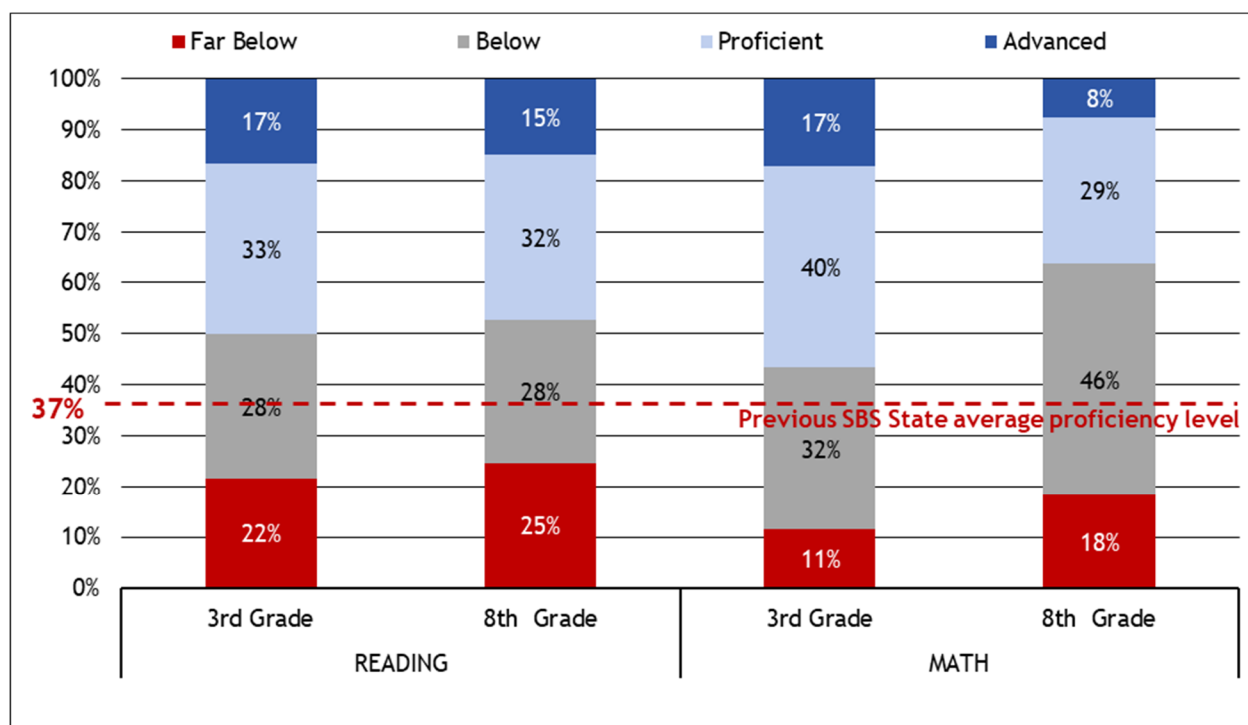


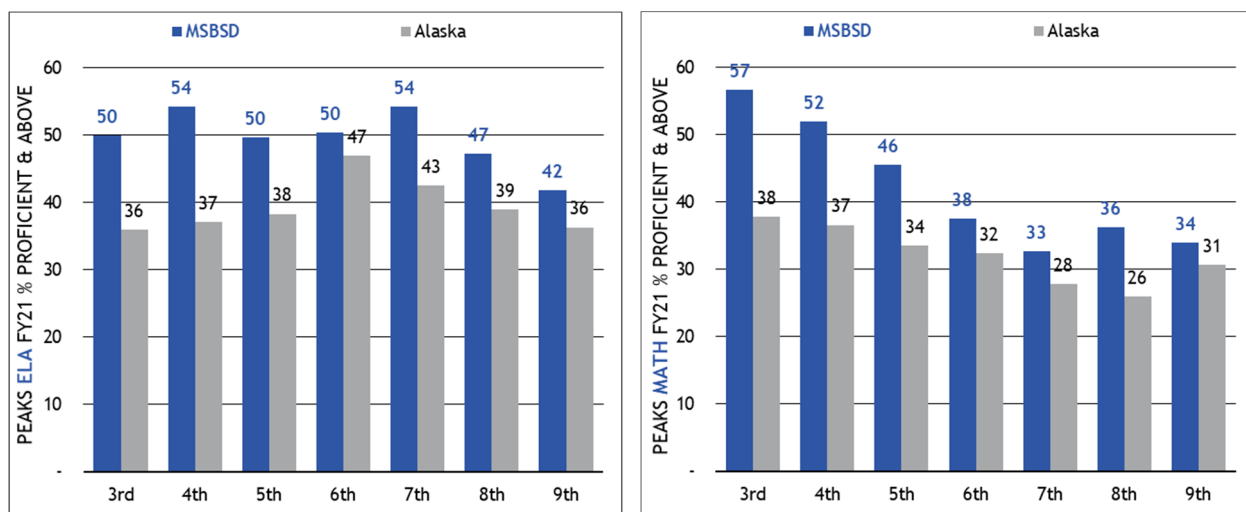
Chart 5

PEAKS Percent Proficient/Advanced			
Spring 2019	ELA	Math	Science
Alaska	39.2%	35.7%	44.7%
Kenai	47.7%	40.9%	55.0%
Juneau	46.3%	40.9%	51.3%
Mat-Su	45.5%	41.2%	51.0%
Anchorage	42.2%	39.4%	46.6%
Fairbanks	41.8%	39.3%	51.2%

While the State mandates PEAKS, Alaska law ensures that parents have the right to exclude their student from participation in specific instructional activities and statewide assessments. In 2019, the most recent year with consistent State-wide reporting due to the COVID-19 pandemic, the District had an 81.6% participation rate in this assessment, which is considerably lower than the state average of 90.8%. A review of school participation rates within the District reveals that some of the highest performing schools also have the highest rates of parents opting their student out of testing. Chart 5 denotes the District's standing in PEAKS testing in relation to the State

and its peers, the "Big-5" school districts. While the District is third in comparison to the "Big 5", it consistently performs better than the State average (Charts 5 and 6) in both Math and ELA.

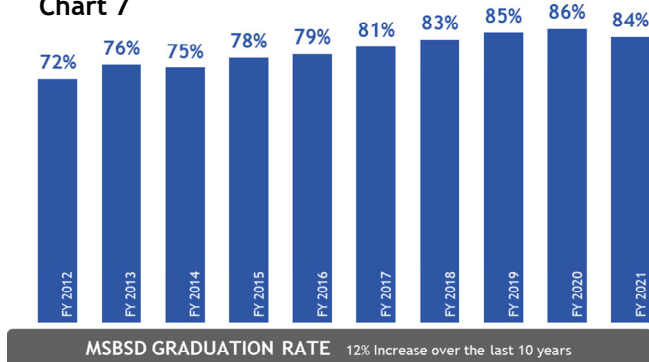
Chart 6



### Graduation Rate

The ultimate measure of student success is the graduation rate. Over the past ten years, the District's graduation rate has increased by 12%, from 72% to 84%. In its analysis, the District has found students who complete at least two career and technical education courses in a sequence have a 95% graduation rate.

Chart 7



### Budget Process

Board Policy 3100 directs that the District budget be prepared annually to form the best possible estimates of enrollment, revenues, and expenditures. The budget development process begins in October with the 20-day student count, as administered by the State of Alaska Department of Education and Early Development (DEED). Immediately after the count period takes place, DEED requires that each district submit their projected enrollment for the upcoming fiscal year by November 5<sup>th</sup>. The projected enrollment for the Mat-Su Borough School District is based on a modified cohort-survival analysis.

The next step in the budget development process is a comprehensive examination of current revenues and expenditures to determine an estimated beginning fund balance for the upcoming fiscal year. Using the projected enrollment and the most current data available from the State Legislature, revenues for the budget year are projected.

To create an early estimate for expenditures, the District must make various assumptions for the upcoming year. For instance, from one year to the next the District may need to assume negotiated salary schedule increases; predict the rate at which health insurance premiums will increase; and/or come up with an estimate for escalating utility costs. Without having all the information necessary to accurately predict expenditures, the District presents a preliminary budget document in January, with all budgetary assumptions clearly communicated.

In accordance with the DEED Uniform Chart of Accounts, information is presented in the budget by fund, function, and object code in order to help stakeholders understand where expenditures are expected to occur. Adherence to the account code structure also assists the District in allocating at least 70 percent of its school operating expenditures for instructional purposes. While this is no longer a requirement by the State, the District uses this as a measure to ensure adequate funding is designated for instructional purposes.

Public input for the budget is sought through open house forums, school board meetings, and an online survey. The District also hosts a virtual budget presentation, which includes a question-and-answer period and allows the District to reach a greater percentage of the community.

General Fund revenue is finalized towards the end of the budget process. From January through March, the School Board deliberates over the preliminary budget and makes any adjustments that are necessary in order to present a balanced budget to the Assembly, which is required by Borough Code 3.04.040. Upon adoption by the Board, the preliminary budget is submitted to the Borough Manager no later than the last Tuesday of March, as required by Borough Code 3.04.020(b). The official budget is due to the Borough Assembly in resolution form no later than April 1<sup>st</sup> of each year. A message including the specific amount of local effort requested by the District must be included with the budget. The District rarely knows the complete funding picture by this date, because April 1<sup>st</sup> is several weeks prior to the closing of the State's legislative session.

The Borough Assembly prepares its own budget and holds public budget deliberations and hearings during April and May. Within 30 days of when the District has submitted its preliminary budget to the Assembly, the Borough is required to approve a minimum amount to be apportioned for school operations, as required by AS 14.14.060. The Assembly adopts a budget that includes an appropriation for the School District by May 31<sup>st</sup>. After both State and local funding have been determined, the School Board takes action to adopt its final budget in May or June. The final budget is due to DEED by July 15<sup>th</sup>.

As required by Title 4 of Alaska Administrative Code, Chapter 9, Article 120, Budget Review, DEED will either approve the budget or may reject the District budget if it:

- Is not in the form required by the State;
- Is not balanced; or
- Does not meet the local effort provisions of AS 14.17.

If rejected by the State, a revised budget must be submitted within thirty days of the notice of rejection. If the budget includes the use of fund balance and the annual audit shows the fund balance to be less than projected, the budget must be revised and resubmitted.

By July 1<sup>st</sup> of each year, the budget is in place for the fiscal year that runs through June 30. While the budget is approved prior to July 1, staffing needs are adjusted almost immediately following the registration process that precedes the twenty-day October student count period. There is also one major budget revision that is used mainly to provide charter schools their estimated prior year carryover prior to the student count period. This fall revision is brought before the Board for approval in August or September. After the count period, revenue is recalculated based on enrollment, and budgeted expenditures are adjusted to reflect the completed staffing adjustments, to arrive at the winter budget revision. This budget revision is presented to the Board for approval in December or January.

The School Board recognizes that operational budget revisions may be necessary in order to ensure that the District maintains a balanced budget. Line-item revisions may be requested by unit administrators based upon educational or non-instructional support needs. Per Board Policy 3110, the following provisions apply to budget revision authority within the District:

- Budget revisions within a site location can be made by the budget manager without approval.
- The Deputy Superintendent of Business and Operations, Director of Finance, or designee shall be authorized to approve budget revisions between budget locations that do not exceed \$100,000.
- The Superintendent or designee shall be authorized to approve budget revisions between site locations that do not exceed \$150,000.
- Revenue adjustments, which increase or decrease the School District's total adopted budget, shall be submitted to the School Board for ratification.

Additional internal controls, approved by administration, have been established with regard to approval limits for budget transfer requests. While site administrators have responsibility for monitoring and approving how their budgets are expended, additional monitoring occurs at the District level. Once

budget transfer requests reach \$25,000, the budget transfer must be approved by the Budget Supervisor. If approved, an internal control exists within the Enterprise Resource Planning's (ERP) system that sends a notification to the Deputy Superintendent of Business and Operations, indicating that a budget transfer in an amount greater than \$25,000 has been approved. For budget transfer approvals greater than \$75,000, a similar notification is sent to the Superintendent. These notifications keep administration informed of significant transactions to ensure proper oversight.

Budget revisions are entered using the District's ERP system and online workflow process. Administrative personnel enter budget transfer requests into the ERP system to be routed for the site administrator's approval and additional approvals as needed. Entry into the District's ERP system allows each budget transfer to immediately effect available funds. The District uses budget roll up codes within the ERP system to ensure that schools and departments have flexibility in spending funds, while still maintaining internal controls that help ensure administrators stay within acceptable budget expenditure parameters. All budget revisions are reported to the Board in a reading file.

These internal controls are part of the District's larger comprehensive risk management plan, which also includes IT backups and disaster recovery processes. The disaster recovery plan was developed utilizing the District's financial management system functionality to switch the data load, processes, and workflow to alternate servers outside the State of Alaska. If the unexpected should occur, key staff have been identified to assist with carrying out critical functions as a part of the District's disaster recovery and business continuity plan.

School and department budgets, budget process, and workflow are integrated into the ERP system. The system is designed with integrated modules, each designed to assist the end user in specific critical business functions. The system provides for streamlined functions in payroll, procurement, receiving, employee expense, accounts payable, and accounting that work hand-in-hand with the District's budget functions.

As funds are expended later into the fiscal year, the District begins monitoring fund balance. Board Policy 3470 establishes goals and provides guidance concerning the desired level of year-end fund balance to be maintained by the District. The District's Annual Comprehensive Financial Reports (ACFR) presents fund balance as non-spendable, restricted, committed, assigned, and unassigned, based on the relative strength of the restrictions that control the purposes for which these resources can be spent. When both restricted and unrestricted resources are available for use, it is the District's policy to use externally restricted resources first, then unrestricted resources - committed, assigned, and unassigned - in order as needed.

The entire budget process, internal controls, and Board Policy are designed and implemented to ensure financial stability for program continuity; instill public confidence; maintain budget and financial compliance with government authorities and assist the District in building and maintaining adequate fund balance to offset unexpected increases in costs.

### **Factors Affecting Financial Condition**

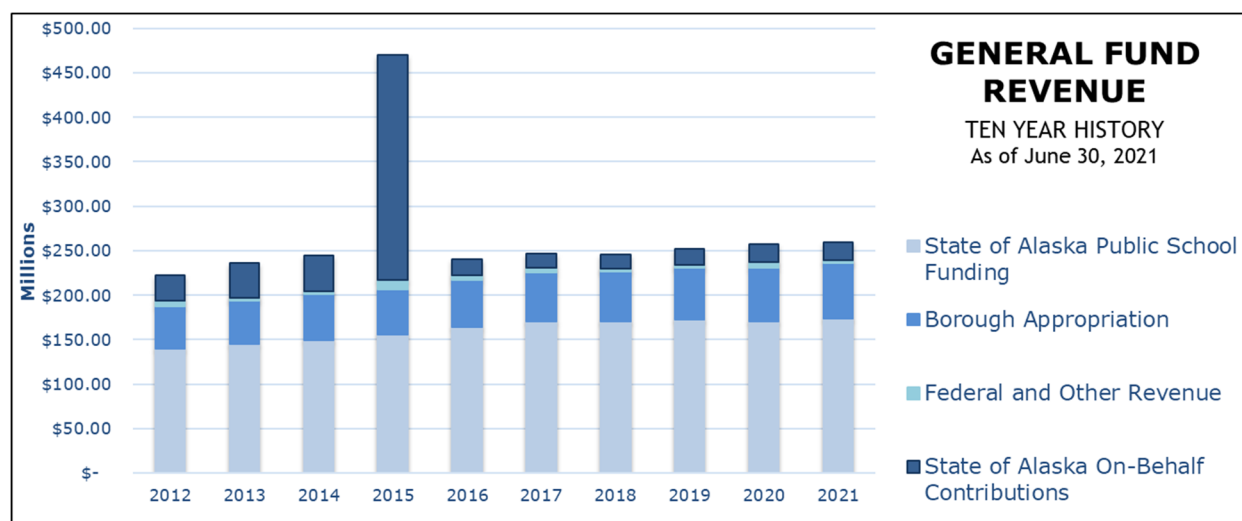
The District is largely dependent upon revenue from the State of Alaska. Approximately 75% of the District's General Fund revenue comes directly from the State through the State Foundation Formula. The State's public-school funding program sets the amount of general school funding the District receives from the State, and it sets the limit of the amount to be raised from local sources under an equalization section of the formula.

Effective July 1, 2014, HB 278 adjusted the Base Student Allocation (BSA) to increase from \$5,680 to \$5,830 in FY 2015, \$5,880 in FY 2016, and \$5,930 in FY 2017. Funding outside the BSA was also established (to also be distributed through the formula) at \$43M in FY 2015, \$32.5M in FY 2016, and \$20M in FY 2017. Due to State fiscal constraints, the funding outside the BSA was not distributed for FY 2016 and FY 2017. The passage of HB278 also led to a change in funding for correspondence study programs. The correspondence factor within the Foundation Program was adjusted from 80% to 90%, and unspent

student allotments are restricted and carry over from year-to-year if students remain enrolled in the District's correspondence program.

Chart 8 represents the historical revenue sources for the School District.

Chart 8



As shown in Chart 8, FY 2015's State of Alaska On-Behalf Contributions are dramatically higher than any other fiscal year during the ten-year history. During the 2014 Legislative Session, Senate Bill 119 passed providing a one-time appropriation from the State's budget reserve fund of \$1 billion to PERS and \$2 billion to TRS which resulted in significantly increased contributions in FY 2015.

The total revenue in the School District General Fund increased by 0.96% between FY 2020 and FY 2021. State funding from the Foundation Program was \$3,373,461 higher due to changes in enrollment. The State also provided \$64,408 in revenues from the Permanent Fund Dividend Raffle. The Borough appropriation was increased by \$1,644,216 to align with the District's share in a growing tax base.

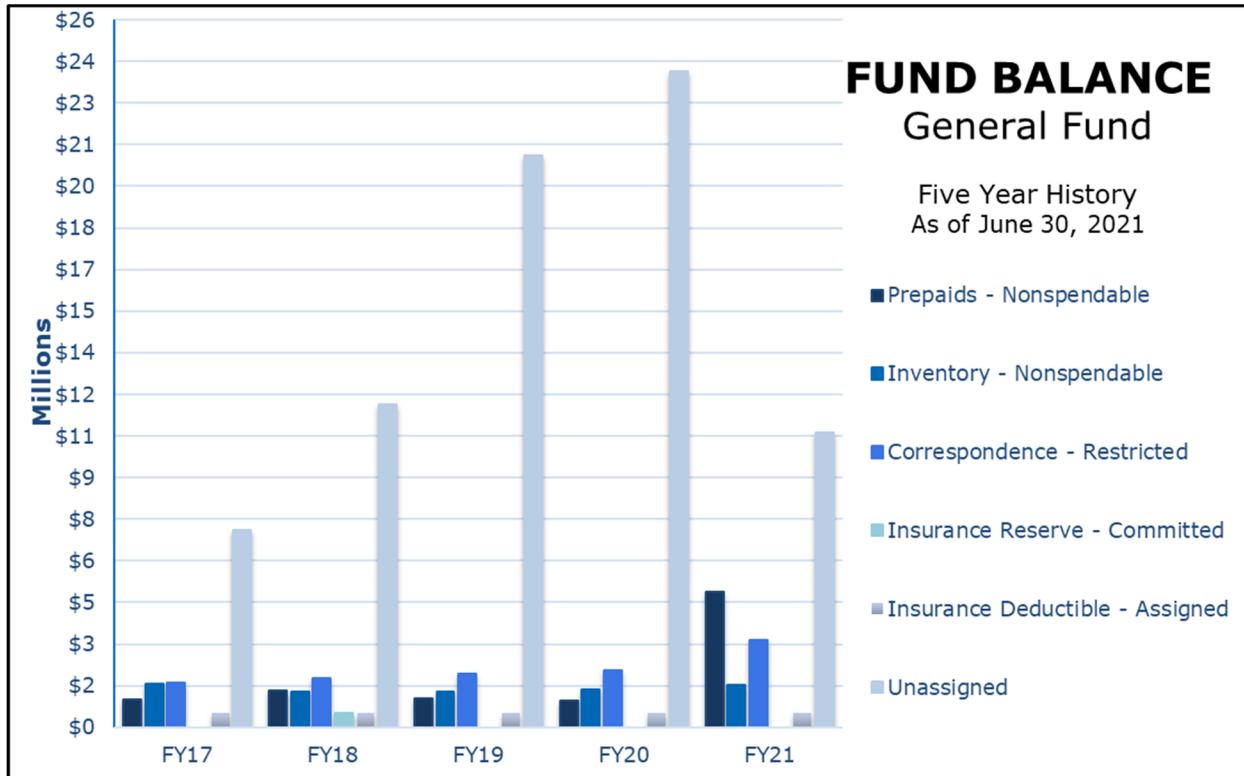
The full extent of the impact from the COVID-19 pandemic is unknown and continues evolve. As of June 30, 2021, the District had been awarded \$19,637,754 under the Elementary and Secondary School Emergency Relief Fund I and Fund II. Not all awarded balances have been received. The School District spent \$5,695,711, with the remainder to be expended in fiscal year 2022. An additional \$157,742 was awarded and expended from the Coronavirus Relief Fund and \$103,950 was awarded, with \$82,307 expended, from the Epidemiology and Laboratory Capacity for Infectious Disease Contract Tracing award. These Coronavirus Response and Relieve Supplemental Appropriations Act awards were all passed through the State of Alaska Department of Education and Early Development.

In FY 2016 and FY 2017 the District's expenditures exceeded revenues, which resulted in the use of fund balance of \$2.5M in FY 2016 and \$2.9M in FY 2017. For FY 2018, the District experienced an increase of \$5.2M in unassigned fund balance as revenues exceeded expenditures and as the Borough removed the unassigned fund balance lapse policy. In FY 2019, the District grew General Fund unassigned fund balance by \$8,991,230. This growth was primarily attributable to the immediate implementation of District spending and hiring freezes in response to the Governor's budget proposal for FY 2020. The Governor's proposal, released February 13, 2019, considered cutting \$40 million of education funding to the Mat-Su Borough School District on an annual basis. That same year, the Governor also contested the validity of the education appropriation and threatened to withhold education payments to school districts. This eventually led to a legal dispute between the Legislature and the Governor. In FY 2020, unassigned fund balance increased by \$3,009,929. With the onset of the COVID-19 pandemic, the District transitioned to remote delivery of instruction in March 2020 as a result of a statewide closure of all in-person activities. The District's response to COVID-19 resulted in a number of operational adjustments which limited spending a variety of functional areas. During FY 2021, unassigned fund balance was reduced by \$12,994,106. The reduction in unassigned fund balance was a result of increased spending in salary and

benefits line items, due to the ratification of the MSEA and CEA collective bargaining agreements, and a \$6,000,000 commitment to the Mat-Su Borough for the Houston Middle School replacement.

Chart 9 depicts the fund balances in the District’s General Fund over the last five years classified as required by GASB 54 as being nonspendable, restricted, committed, assigned or unassigned.

Chart 9

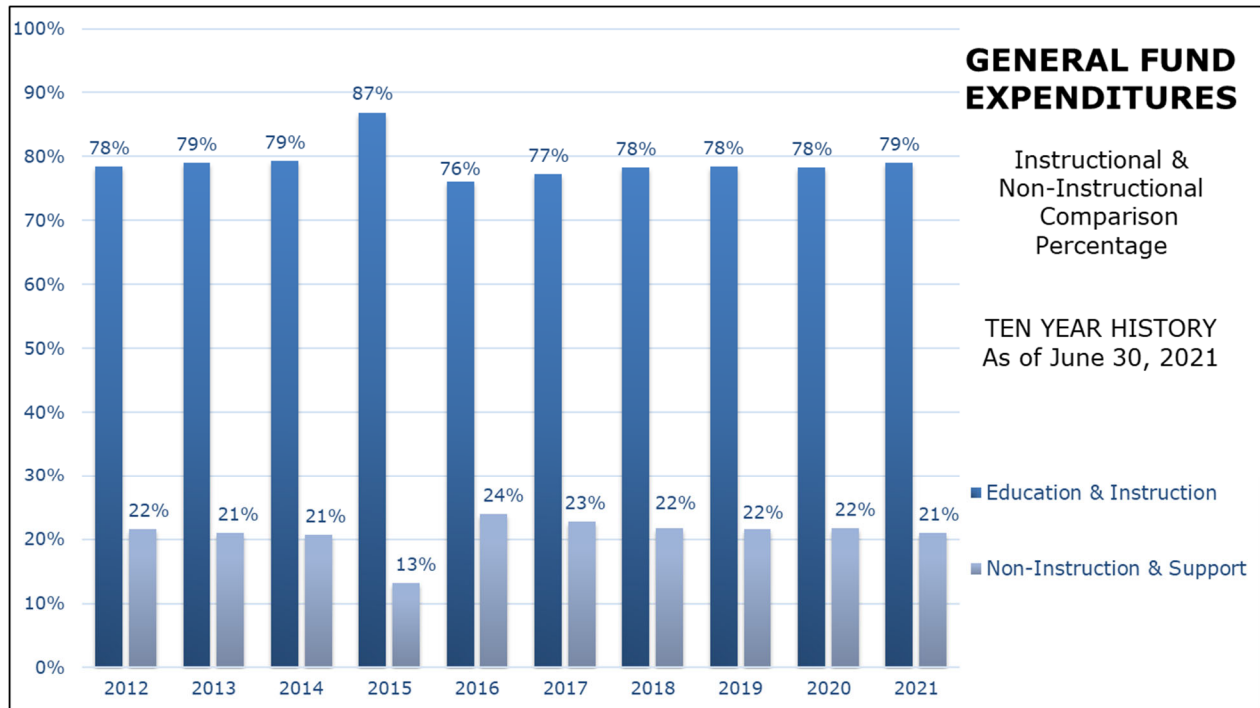


### Instructional Spending

The District is committed to preparing all students for success and focuses its spending on the instructional area. Prior to 2016, Alaska Statute 14.17.520 stated, “A district shall budget for and spend a minimum of 70 percent of its school operating expenditures in each fiscal year on the instructional component of the district budget.” Although this law was repealed in July 2016 and is no longer a State mandate, it is still a measure that may be used to compare educational spending throughout the State. The District’s FY 2021 audited expenditures exceed the State of Alaska’s mandate, with 79% of its operating fund spending within the instructional component and 21% spent in instructional support or non-instruction, as shown in Chart 10 below. In FY 2021, the proportion of resources expended from the General Fund towards the instructional component closely aligned with the historical expenditure proportions, with the exception of FY 2015. The increase in FY 2015 was due to the additional State-On-Behalf contributions received that year.

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Chart 10



## Financial Forecast

As the District attempts to forecast financial conditions beyond FY 2021, anticipated expenses outpace projected revenue, creating a structural deficit in subsequent years. Based on the following assumptions, the District prepared a long-term forecast that extends through FY 2026.

### Revenue Assumptions

#### Local Funding

- Borough revenue maintained at 6.30 Mills of prior year assessed value
  - Assessed value increases at 2.5% annually per Borough forecast
- Other revenue maintained with no increase or decrease

#### State Funding

- BSA increased by \$116 to \$6,046 in FY 2024 and maintained thereafter
- Intensive count is maintained at 547
- No One-Time Grants from the State after FY 2021
- Excludes on-behalf revenue

#### Federal Funding

- Federal revenue maintained with no change

#### Use of Fund Balance

- No use of Fund Balance after FY 2022

### Expenditure Assumptions

#### Regular Salary Schedule Movement

- In FY 2022, salary schedules increase according to the negotiated agreement for each employee group as outlined below
  - MSEA increased by 2%
  - CEA, MLMA, and MSPA increased by 1.5%
  - All other employee groups are maintained with no increase

- In FY 2023, salary schedules increase according to the negotiated agreement for each employee group and are maintained thereafter
  - MSPA and MLMA increased by 1.5%
  - All other employee groups are maintained with no increase
- Total certificated salaries increase by 1.36% for regular movement on the salary schedule
  - Total non-certificated salaries increase by 3.31% for regular movement on the salary schedule

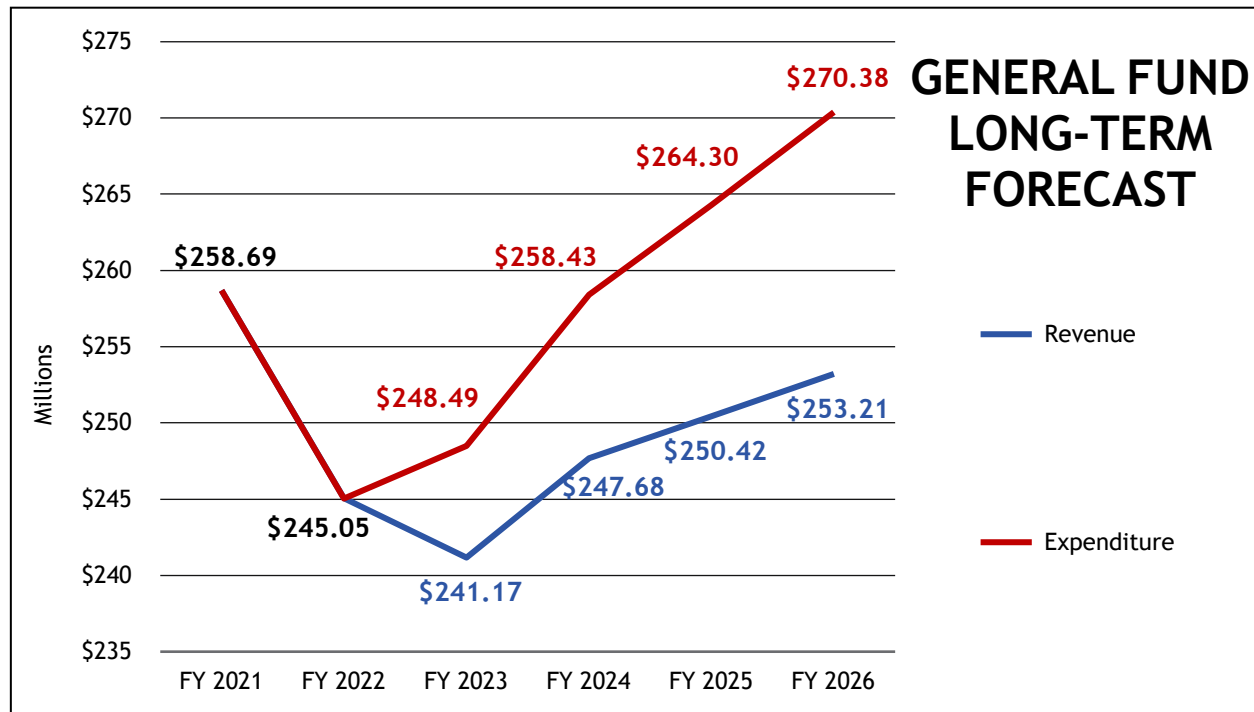
#### Benefits

- Health insurance increases at an annual rate of 8%
  - Increase is split 50/50 between the District and all employee groups
- All other deduction factors are maintained with any increase due to an increase in salary factors
- Includes a reserve of 1% of total compensation and benefits, which was then adjusted for vacancies, attrition, leave without pay, and column movements
- Excludes on-behalf payments

#### Non-Personnel

- School site non-personnel budgets are maintained, with any increase or decrease due only to projected changes in enrollment
- Department non-personnel budgets are maintained with zero increase or decrease
- Utility rates are maintained and applied to the annual average use from FY 2017-FY 2019
- Property and liability insurance increase at an annual rate of 15%
- Transfers to other funds includes a subsidy to the Student Transportation Fund and an annual transfer to Debt Service Fund
- All other non-personnel accounts are maintained with no change

Chart 11



	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Revenue	258,686,399	245,047,164	241,165,822	247,683,025	250,423,482	253,206,924
Expenditure	258,686,399	245,047,164	248,490,390	258,426,742	264,298,160	270,382,521
Excess (Deficit)	-	-	(7,324,568)	(10,743,717)	(13,874,678)	(17,175,597)

The deficits in FY 2023, FY 2024, FY 2025, and FY 2026 are \$7.32M, \$10.74M, \$13.87M, and \$17.18M respectively. This trend of expenditures outpacing revenues is referred to as a structural deficit because

operations cannot be sustained and may require a change to the organizational structure, educational programs, and/or service offerings.

### Awards and Acknowledgements

The Association of School Business Officials International (ASBO) has awarded the Certificate of Excellence (COE) in Financial Reporting to the District for its Comprehensive Annual Financial Report for the period ended June 30, 2020. This was the twelfth consecutive year the District has received this prestigious award, and we believe that the Annual Comprehensive Financial Report for the current fiscal year continues to meet the requirements of the Certificate of Excellence program and intend to submit it for consideration.

The preparation of this report was accomplished through the commitment, dedication, and tireless efforts of Matanuska-Susitna Borough School District employees. We would like to express our appreciation to all the people who contributed to the preparation of this report, including our primary government, the Matanuska-Susitna Borough. Their expertise and partnership in data collection has been tremendously helpful. We would also like to thank the members of the School Board for their support in maintaining the highest standards of professionalism in the management of the District's finances.

Respectfully submitted,



Dr. Randy Trani  
Superintendent of Schools



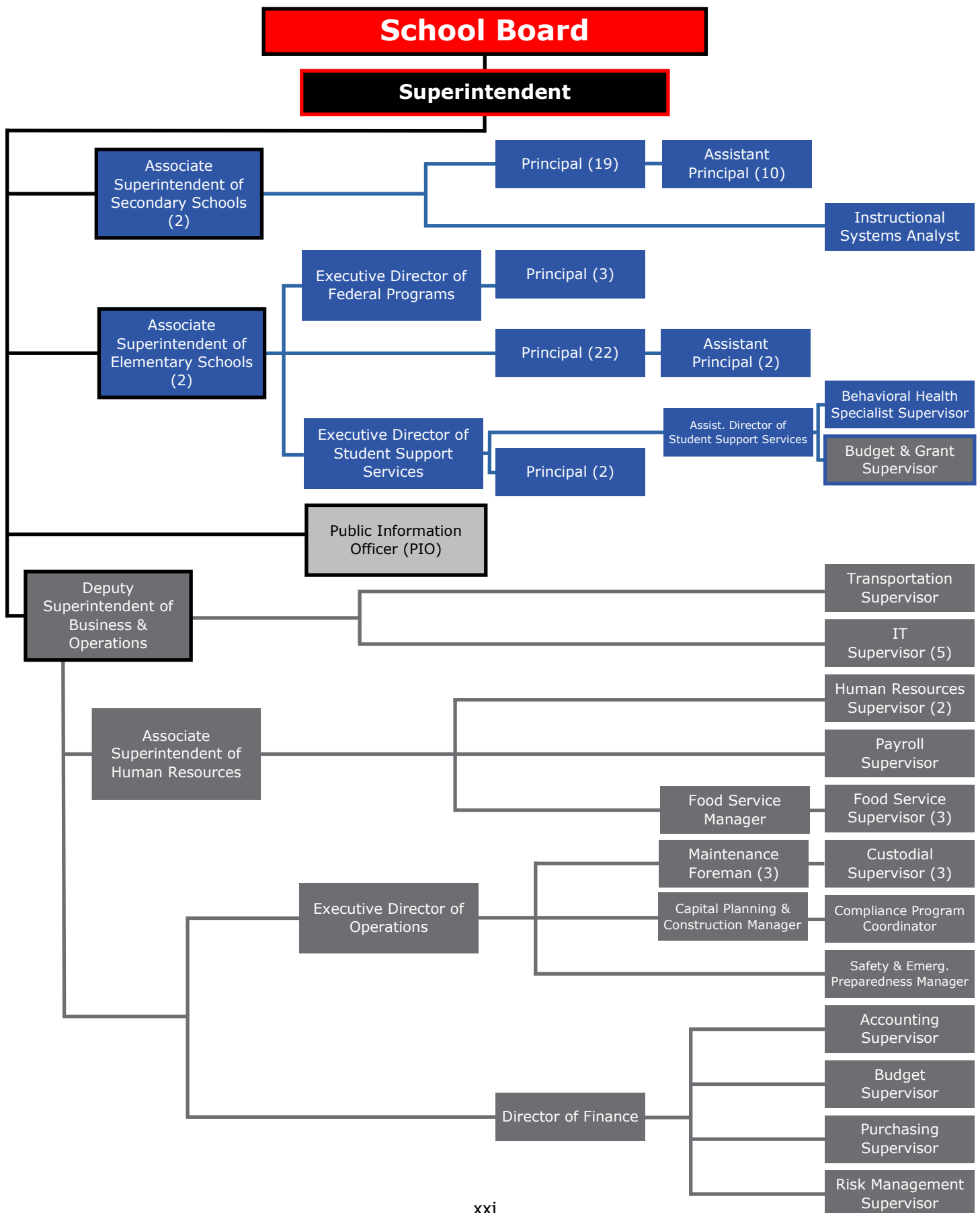
Luke Fulp, MBA, SFO  
Deputy Superintendent of  
Business and Operations



Zachary Albert, CTP  
Director of Finance



Alicia Campbell  
Accounting Supervisor



**MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT**  
**PRINCIPAL OFFICIALS**  
*As of June 30, 2021*

**SCHOOL BOARD**

Board President ..... Ole Larson  
Board Vice-President ..... Thomas Bergey  
Board Clerk ..... Ryan Ponder  
Board Member ..... Jim Hart  
Board Member ..... Dwight Probasco  
Board Member ..... Jeff Taylor  
Board Member ..... Dr. Sarah Welton

**DISTRICTWIDE ADMINISTRATION**

Superintendent..... Dr. Randy Trani  
Public Information Officer..... Jillian Morrissey

Associate Superintendent of Instruction ..... Dr. Justin Ainsworth  
Associate Superintendent of Instruction ..... Reese Everett  
Associate Superintendent of Instruction ..... DeeDee Hanes  
Associate Superintendent of Instruction ..... Traci Pedersen  
Executive Director of Student Support Services..... Dan Molina  
Assistant Director of Student Support Services..... Dale Sweetser  
Executive Director of Federal Programs..... Dr. Katherine Ellsworth

Deputy Superintendent of Business and Operations ..... Luke Fulp  
Associate Superintendent of Human Resources ..... Katherine Gardner  
Executive Director of Operations..... Jim Estes  
Director of Finance ..... Zachary Albert  
Assistant Director of Capital Planning and Construction..... Tony Weese





ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting  
is presented to**

**Matanuska-Susitna Borough School District**

**for its Comprehensive Annual Financial Report  
for the Fiscal Year Ended June 30, 2020.**

The report meets the criteria established for  
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, reading 'W. Edward Chabal'.

W. Edward Chabal  
President

A handwritten signature in black ink, reading 'David J. Lewis'.

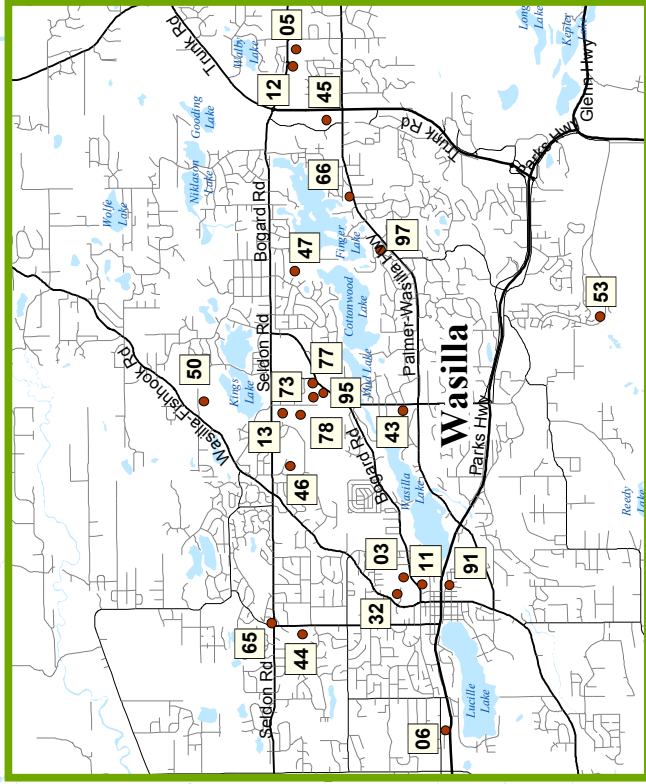
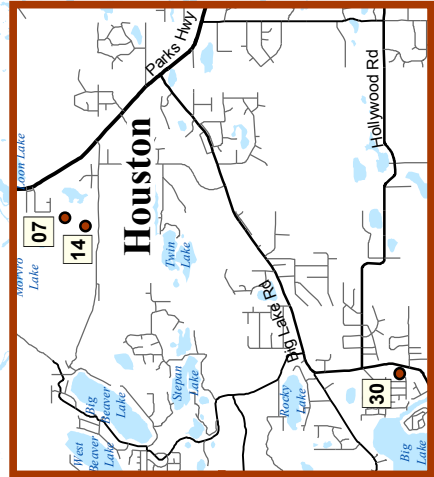
David J. Lewis  
Executive Director

## MSB School District Facilities Locations

02. Su-Valley Jr./Sr. High School
31. Glacier View School
35. Talkeetna Elementary School
36. Trapper Creek Elementary School
37. Willow Elementary School
39. Snowshoe Elementary School
41. Butte Elementary School
42. Sutton Elementary School
48. Goose Bay Elementary School
49. Beryozova School
51. Meadow Lakes Elementary School
52. Knik Elementary School
54. Denaina Elementary School
61. Midnight Sun Family Learning Center
67. American Charter Academy
80. Joe Redington Jr/Sr High School

## Houston Inset

07. Houston High School
14. Houston Middle School
30. Big Lake Elementary School

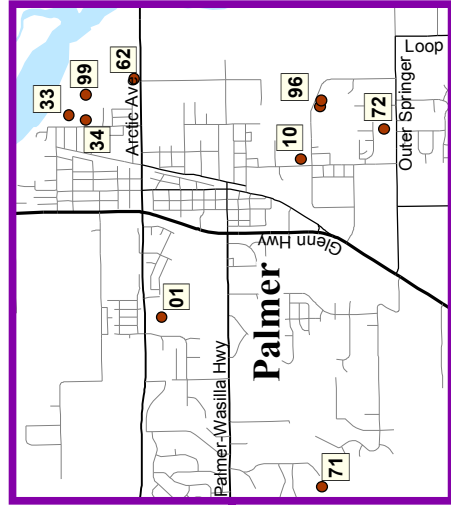


## Wasilla Area Inset

03. Wasilla High School
05. Colony High School
06. Burchell High School
11. Wasilla Middle School
12. Colony Middle School
13. Teeland Middle School
32. Iditarod Elementary School
43. Cottonwood Elementary School
44. Tanaina Elementary School
45. Pioneer Peak Elementary School
46. Larson Elementary School
47. Finger Lake Elementary School
50. Shaw Elementary School
53. Machetanz Elementary School
65. Twindly Bridge Charter School
66. Birchtree Charter School
73. Mat-Su Career & Tech High School
77. Mat-Su Day School
78. Fronteras Spanish Immersion Charter School
91. Mat-Su Central School
95. MSBSD Operations & Maintenance
97. MSBSD Pupil Transportation Department

## Palmer Area Inset

01. Palmer High School
10. Palmer Junior Middle School
33. Sherrad Elementary School
34. Swanson Elementary School
62. Academy Charter School
71. Valley Pathways School
72. Mat-Su Secondary School
96. MSBSD Nutrition Services
96. School District Warehouse
99. MSBSD Administration Building



# Financial Section



*We prepare all students for success*



Tel: 907-278-8878  
Fax: 907-278-5779  
www.bdo.com

3601 C Street, Suite 600  
Anchorage, AK 99503

## **Independent Auditor's Report**

Members of the School Board  
Matanuska-Susitna Borough School District  
Palmer, Alaska

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Matanuska-Susitna Borough School District (the District), a component unit of Matanuska-Susitna Borough, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Emphasis of Matter***

As discussed in Note 14 to the financial statements, in 2021 the District adopted the provisions of Governmental Accounting Standards Board (GASB) Statement Number 84, *Fiduciary Activities*. Our opinion is not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## **Other Matters**

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, and schedules of District's proportionate share of the net pension and net OPEB liability or asset and the District's contributions on pages 6 through 22, 66, and 67 through 72 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Supplementary Information***

Our audit for the year ended June 30, 2021 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying combining and individual fund financial statements and schedules, Schedule of Compliance as required by Alaska Statute 14.17.505, Schedule of Expenditures of Federal Awards, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the Schedule of State Financial Assistance, as required by the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* for the year ended June 30, 2021 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying combining and individual fund financial statements and schedules, Schedule of Compliance, Schedule of Expenditures of Federal Awards, and the Schedule of State Financial Assistance, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended June 30, 2021 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules, Schedule of Compliance, Schedule of Expenditures of Federal Awards, and the Schedule of State Financial Assistance is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2021.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the District as of and for the year ended June 30, 2020 (not presented herein), and have issued our report thereon dated November 15, 2020, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The individual fund financial statements and schedules for the year ended June 30, 2020 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2020 financial statements. The information was subjected to the audit procedures applied in the audit of the 2020 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2020.

The accompanying introductory and statistical sections, as listed in the table of contents, has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

*BDO USA, LLP*

Anchorage, Alaska  
November 15, 2021

## **Management's Discussion and Analysis**

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# **Matanuska-Susitna Borough School District**

## **Management's Discussion and Analysis**

*Year Ended June 30, 2021*

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This section of the annual comprehensive financial report for the Matanuska-Susitna Borough School District presents discussion and analysis from the financial managers about the financial performance of the School District over the fiscal year ended June 30, 2021 (FY 2021). Readers are encouraged to consider the information presented here in conjunction with the information furnished in the letter of transmittal at the front of this report and also the basic financial statements for the School District, which immediately follow this section.

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information (RSI) prescribed by the Governmental Accounting Standards Board (GASB) within Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments.

### **Financial Statements**

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Key financial highlights for the fiscal year ended June 30, 2021, include the following:

As of the end of the fiscal year, the School District's total governmental funds reported a combined fund balance of \$29,771,129, a decrease of \$7,508,358 offset by the increase in fund balance of \$2,940,835 from the adjustment to fund balance as a result of implementing GASB 84 from the prior year.

Of this amount, \$7,856,303 was considered nonspendable and was comprised of \$2,954,691 invested in inventory and \$4,901,612 reserved for prepaid items. Restricted fund balances totaled \$3,162,995, which were set aside for unspent student allotments for correspondence schools. Committed fund balances totaled \$6,252,286, which included \$1,354,116 in the Capital Projects Fund and \$4,898,170 in the nonmajor special revenue and debt service funds. Assigned fund balance totaled \$1,868,496 and was comprised of \$500,000 reserved for the self-insured retention for workers' compensation claims, \$809,656 in the Food Service Fund, \$534,792 in the Student Transportation Fund, and \$24,048 in other local grants. Unassigned fund balance was \$10,631,049.

The fund balance in the General Fund was \$20,741,263, a decrease of \$7,780,774 from the prior year.

General fund balance of \$6,447,219 was considered nonspendable and was comprised of \$1,547,606 invested in inventory and \$4,899,613 reserved for prepaid items. Restricted fund balances totaled \$3,162,995, which was set aside for unspent student allotments for correspondence schools. Assigned fund balance of \$500,000 was reserved for the self-insured retention for workers' compensation claims. Unassigned fund balance for the General Fund was \$10,631,049, a decrease of \$12,994,106 from the prior year.

The decrease in unassigned fund balance can primarily be attributed to a \$6,000,000 transfer to the Matanuska-Susitna Borough to help fund the Houston Middle School project and also increased costs associated with salary and benefit increases from the ratification of the MSEA and CEA collective bargaining agreements.

# **Matanuska-Susitna Borough School District**

## **Management's Discussion and Analysis**

*Year Ended June 30, 2021*

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### **Overview of the Financial Statements**

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This discussion and analysis are intended to serve as an introduction to the School District's basic financial statements and supplement the information contained within them. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The basic financial statements include two types of statements which present different views of the School District:

- The first type of basic financial statements are the government-wide financial statements, which provide both short-term and long-term information about the School District's overall financial status.
- The second type of basic financial statements are the fund financial statements, which focus on individual activities of the School District and report the operations in greater detail than the government-wide statements.
- Governmental fund financial statements present how basic services such as regular and special education were financed in the past fiscal year, as well as the amount of resources which remain for expenditures in future years.
- The proprietary fund financial statements display information about School District enterprise and internal service fund activities which charges customers a fee in return for goods or services.
- Fiduciary fund financial statements provide information about the financial relationships in which the School District acts solely as trustee or agent for the benefit of others. With adoption of Statement No. 84 of the Governmental Accounting Standards Board (GASB), the School District has restated beginning balances by \$2,940,835 and does not currently maintain or report any fiduciary funds.

Notes which provide additional information to further explain the data presented in the basic financial statements can be found following the statements. After the notes is a section of required supplemental information, which supports and further explains the information contained within the financial statements and also includes a comparison of the School District's budget to actual results for the year.

### **Government-wide Financial Statements**

The government-wide financial statements incorporate all of the School District's governmental and business-type activities, and is intended to provide readers with both short-term and long-term information about the School District's overall financial status.

The Statement of Net Position presents information on the School District's assets and deferred outflows of resources, as well as liabilities and deferred inflows of resources, with the remainder being net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial condition of the School District is improving or deteriorating.

The Statement of Activities presents information revealing how the School District's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event occurs, regardless of the timing of any related cash flows. Some of the cash flows related to revenues and expenses reported on the Statement of Activities will occur in a future fiscal period.

# **Matanuska-Susitna Borough School District**

## **Management's Discussion and Analysis**

*Year Ended June 30, 2021*

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Both of the government-wide financial statements present functions of the School District as governmental activities, that is, functions principally supported by taxes and unrestricted intergovernmental revenues. The governmental activities of the School District include instruction, administration, student transportation, and food services, among others. The government-wide financial statements are found in exhibit A-1 and B-1 of this report.

### ***Fund Financial Statements***

A fund is a fiscal and accounting entity with a self-balancing set of accounts that is created for the purpose of tracking the financial transactions related to a specific activity or activities. The School District uses fund accounting to demonstrate accountability and to ensure compliance with finance-related legal requirements. The fund financial statements focus on the School District's most significant or "major" funds. All funds are classified into two categories: governmental funds and proprietary funds.

### ***Governmental Funds***

Governmental funds account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources as well as balances of spendable resources available at the end of the fiscal year. Governmental fund information helps the reader determine whether there are more (or less) financial resources that can be spent in the next fiscal year to finance the School District's programs.

Governmental funds of the School District include the General Fund, special revenue funds, a debt service fund, and a capital projects fund. The General Fund is used to track resources not required to be accounted for within another fund. Special revenue funds track revenue sources which have been restricted or committed to specific uses other than debt service or capital projects, and exclusive of any resources held in trust. The Debt Service Fund is used to account for accumulations of resources that are restricted, committed, or assigned to expenditure for principal and interest. The Capital Projects Fund is used to account for resources that are restricted, committed, or assigned to expenditure for the acquisition or construction of capital facilities and other capital assets.

The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in the reconciliation accompanying the Governmental Funds Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances. The governmental funds financial statements can be found in exhibit C-1 through C-4 of this report.

### ***Proprietary Funds***

The Proprietary Funds financial statements provide the same type of information as government-wide financial statements, only in greater detail. Proprietary funds are used to track business-type activities for which customers are charged a fee in return for goods or services. There are two types of proprietary funds - enterprise funds and internal service funds.

# **Matanuska-Susitna Borough School District**

## **Management's Discussion and Analysis**

*Year Ended June 30, 2021*

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Enterprise funds are used to account for business-type activities for which external users are charged a fee for goods or services. After the School District Board of Education took action during the fiscal year to commit specific revenues for program funding, the School District reclassified the enterprise fund balance and activity from the Mat-Su Construction Trades Fund to a special revenue fund.

Internal service funds are used to track activities that provide goods or services to other agencies, funds, or programs within the School District. The School District uses an internal service fund to account for Workers' Compensation Self-Insurance.

Although proprietary funds are not governmental funds, they are accounted for as governmental activities within the government-wide statements because their use falls within the general educational mission of the School District. The basic proprietary fund financial statements can be found in exhibit D-1 through D-3 of this report.

### ***Notes to the Financial Statements***

The notes to the financial statements provide additional information that is essential for understanding the data provided within the government-wide and fund financial statements. The note disclosures can be found immediately following exhibit E-1 of this report.

### ***Other Information***

Combining and individual fund statements and schedules can be found after the section for Required Supplementary Information.

## **Government-wide Financial Analysis**

### ***Net Position***

Over time, net position of a fund may serve as a useful indicator of a government's overall financial condition.

For the fiscal year ended June 30, 2021, the School District's total liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$81,889,942. Of this amount, \$11,552,162 (net of the related debt) is invested in capital assets, including land, buildings, equipment, and intangible assets such as software. Because these capital assets are necessary for the School District to continue to fulfill its educational mission, the resources invested in them are not available to be used for future spending. Net position restricted for correspondence school student allotments was \$3,162,995, and the remaining \$96,605,099 of unrestricted net position is a deficit.

The decrease in current assets from the prior year can be attributed in part to decreases in cash. The increase in noncurrent assets resulted from an increase in net postemployment benefit assets of \$14,520,844. The deferred outflows of resources related to the pension and other postemployment benefits increased by \$6,465,352 over the prior year.

# Matanuska-Susitna Borough School District

## Management's Discussion and Analysis

Year Ended June 30, 2021

Current liabilities include accounts payable, accrued payroll and related liabilities, unearned revenue, and claims payable within one year. The \$607,654 increase in current liabilities from the prior year is attributable to an increase in accounts payable, accrued payroll and related liabilities, and unearned revenue. These increases were marginally offset by a \$93,042 reduction in claims payable. Noncurrent liabilities, which includes the accrued leave, capital leases payable, and the net pension and postemployment benefits liabilities increased by \$1,818,685. This increase was largely the result of a \$3,469,464 increase in the net pension liability resulting from a change in benefit terms. Deferred inflows of resources related to pensions and other postemployment benefits decreased from the prior year by \$1,833,931. The analysis below focuses on net position (Table 1). The Change in net position for the School District is shown on the following page in the Statement of Activities (Table 2).

**Table 1**  
**Net Position of Governmental Activities**

June 30,	2021	2020
<b>Assets</b>		
Current and other assets	\$ 42,927,153	\$ 47,104,408
Noncurrent assets	41,421,204	28,178,317
<b>Total Assets</b>	<b>84,348,357</b>	<b>75,282,725</b>
<b>Deferred Outflows</b>		
Pension related	17,238,064	13,032,989
Other postemployment benefits related	12,069,902	9,809,625
<b>Total Deferred Outflows of Resources</b>	<b>29,307,966</b>	<b>22,842,614</b>
<b>Total Assets and Deferred Outflows</b>	<b>113,656,323</b>	<b>98,125,339</b>
<b>Liabilities</b>		
Current liabilities	13,156,024	12,548,370
Noncurrent liabilities	167,696,052	165,877,367
<b>Total Liabilities</b>	<b>180,852,076</b>	<b>178,425,737</b>
<b>Deferred Inflows</b>		
Pension related	3,703,646	7,679,000
Other postemployment benefits related	10,990,543	7,955,390
<b>Total Deferred Inflows of Resources</b>	<b>14,694,189</b>	<b>15,634,390</b>
<b>Net Position</b>		
Net investment in capital assets	11,552,162	12,668,332
Restricted for scholarships	-	4,290
Restricted for correspondence program	3,162,995	2,068,724
Unrestricted (deficit)	(96,605,099)	(110,676,134)
<b>Total Net Position</b>	<b>(81,889,942)</b>	<b>(95,934,788)</b>
<b>Total Liabilities, Deferred Inflows and Net Position</b>	<b>\$ 113,656,323</b>	<b>\$ 98,125,339</b>

# Matanuska-Susitna Borough School District

## Management's Discussion and Analysis

Year Ended June 30, 2021

### Governmental Activities

The following condensed table of changes in net position displays the revenues and expenses for the current year. The results of this year's operations for the School District as a whole are reported in the Statement of Activities in exhibit B-1 of this report. Table 2 provides condensed information from the Statement of Activities.

**Table 2**  
**Statement of Activities**

Year Ended June 30,	2021	2020
<b>Revenues</b>		
Program revenues:		
Charges for services	\$ 1,418,138	\$ 999,167
Operating grants and contributions	66,134,075	53,516,040
General revenues and transfer to Borough:		
Borough district appropriations	62,310,148	60,665,932
State grants not restricted	173,839,797	174,422,821
E-rate	1,439,607	1,344,024
Medicaid and other	1,516,914	846,371
<b>Total Revenues</b>	<b>306,658,679</b>	<b>291,794,355</b>
<b>Expenses</b>		
Instruction	115,119,822	92,755,961
Special education instruction	41,125,803	37,028,459
Special education support services - students	17,712,718	15,414,844
Support services - students	10,561,849	8,578,659
Support services - instruction	10,885,288	12,747,063
School administration	10,062,860	8,736,248
School administration support services	9,976,951	9,038,902
District administration	1,233,605	1,532,869
District administration support services	15,056,835	12,932,866
Operations and maintenance of plant	27,975,549	26,879,109
Student activities	4,887,911	2,960,185
Student transportation - other transportation services	249,527	300,153
Student transportation - to and from school	17,600,419	16,520,902
Community services	47,801	6,353
Food services	6,826,217	6,685,857
Interest on long-term debt	231,513	237,264
<b>Total Expenses</b>	<b>289,554,668</b>	<b>252,355,694</b>
Special Item - Transfer to the Borough	(6,000,000)	(5,900,000)
Change in net position	11,104,011	33,538,661
<b>Net Position, beginning of year</b>	<b>(92,993,953)</b>	<b>(129,473,449)</b>
<b>Net Position, end of year</b>	<b>\$ (81,889,942)</b>	<b>\$ (95,934,788)</b>

# Matanuska-Susitna Borough School District

## Management's Discussion and Analysis

Year Ended June 30, 2021

The cost of all governmental activities in FY 2021 was \$289,554,668. Users of the School District's programs paid some of the cost of programs (\$1,418,138). The Federal Government and State of Alaska subsidized certain programs with grants and contributions (\$66,134,075). Revenues in the amount of \$173,839,797 were provided by the State of Alaska Foundation Program, which made up 56.69% of the \$306,658,679 total revenues that funded the School District's operating expenses. This amount does not include the \$555,955 funding for Quality Schools, On-Behalf Retirement Contributions from the State of Alaska in the amount of \$20,863,857, or Other State Revenue of \$64,408 in Dividend Raffle proceeds. The Borough Appropriation of \$62,310,148 was derived from local property tax assessments. The Statement of Activities is located in exhibit B-1 of this report.

Table 3 presents the total cost of services for each of the School District's primary functional activities. The Net Cost of Services represents the Total Cost of Services less charges for services and revenue from operating grants and contributions. The net cost shows the financial burden placed on the School District's General Fund to provide each of these functions.

**Table 3**  
**Net Cost of Governmental Activities**

Governmental Activities	Fiscal Year 2021		Fiscal Year 2020	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Expenses:				
Instruction	\$ 156,245,625	\$ 128,166,588	\$ 152,322,173	\$ 143,353,333
Support services - school	39,159,855	29,564,007	43,105,799	36,920,261
School administration	20,039,811	18,143,828	20,720,374	20,321,287
District administration	16,290,440	14,273,977	16,075,480	15,070,674
Operations and maintenance	27,975,549	26,721,293	24,811,300	24,432,773
Student activities	4,887,911	3,287,691	3,441,325	3,408,857
Student transportation	17,849,946	3,165,917	16,824,500	-
Community services	47,801	(8,975)	14,204	-
Food services	6,826,217	(1,535,818)	6,687,893	(7,851)
Interest on-long term debt	231,513	231,513	393,300	-
Construction and facilities acquisition	-	(7,566)	3,226,660	13,500
<b>Total</b>	<b>\$ 289,554,668</b>	<b>\$ 222,002,455</b>	<b>\$ 287,623,008</b>	<b>\$ 243,512,834</b>

As noted earlier, the School District uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The information provided assists the reader by providing insight into the School District's overall financial health and helps them form an opinion on whether the School District is being fiscally responsible with the resources provided by the State, Borough, and others.

### Governmental Funds

The focus of the School District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful for assessing the School District's net resources available for expenditure at the end of the fiscal year. The School District's governmental funds reported combined fund balances at the end of the fiscal year of \$29,771,129 as reported in exhibit C-1.

# Matanuska-Susitna Borough School District

## Management's Discussion and Analysis

Year Ended June 30, 2021

The Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance can be found in exhibit C-3.

Table 4 reconciles total ending balances for the governmental funds on the government-wide balance sheet.

**Table 4**  
**Reconciliation of Total Fund Balances for Governmental Funds**  
**to Net Position for Governmental Activities**

June 30,	2021	2020
Total fund balance - governmental funds	\$ 29,771,129	\$ 34,338,652
Cost of capital assets (net of accumulated depreciation)	17,850,606	19,128,563
Other postemployment benefits assets	23,570,598	9,049,754
Long-term liabilities	(167,696,052)	(165,877,367)
Deferred outflows and inflows of resources - pension and OPEB related	14,613,777	7,208,224
Enterprise fund net position	-	217,386
<b>Net Position</b>	<b>\$ (81,889,942)</b>	<b>\$ (95,934,788)</b>

A major fund is defined as a governmental or enterprise fund for which the revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) total at least 10 percent of the total for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds for the same item. Funds that do not meet those criteria may also be designated as major funds if they are considered important to the School District or the readers of its financial statements. The School District had two major governmental funds in FY 2021.

The General Fund qualifies as a major fund and is the principal operating fund for the School District. The General Fund had a fund balance of \$20,741,263, which included \$6,447,219 of nonspendable, \$3,162,995 of restricted, \$500,000 of assigned, and \$10,631,049 of unassigned funds. The total fund balance as of June 30, 2021, was \$7,780,774 lower than the prior fiscal year.

Although the Capital Projects Fund does not meet the criteria requiring it to be presented as a major fund, the School District has elected to present it as a major fund due to the significance of the fund to the users of the financial statements. This fund was established to accumulate resources related to the construction, acquisition, and renovation of capital assets. The four projects with the largest expenditures from the fund were for the relocation of portables between school sites to accommodate student populations at schools where enrollment was growing; roof repairs at Talkeetna Elementary; safety and security upgrades across the School District; and gym audio equipment. Total expenditures for these four projects amounted to \$1,110,198, or about 86% of the total expenditures for capital improvement projects. Additionally, \$6,000,000 from the General Fund was transferred into the fund and then transferred to the Matanuska-Susitna Borough in order to be used for the Houston Middle School replacement project. The fund balance at the end of the year was \$1,354,116.

The Governmental Fund Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balance, which are located in exhibit C-1 and C-3 of this report, provide information for both of these major funds, the Nonmajor Funds, and Total Governmental Funds.

# Matanuska-Susitna Borough School District

## Management's Discussion and Analysis

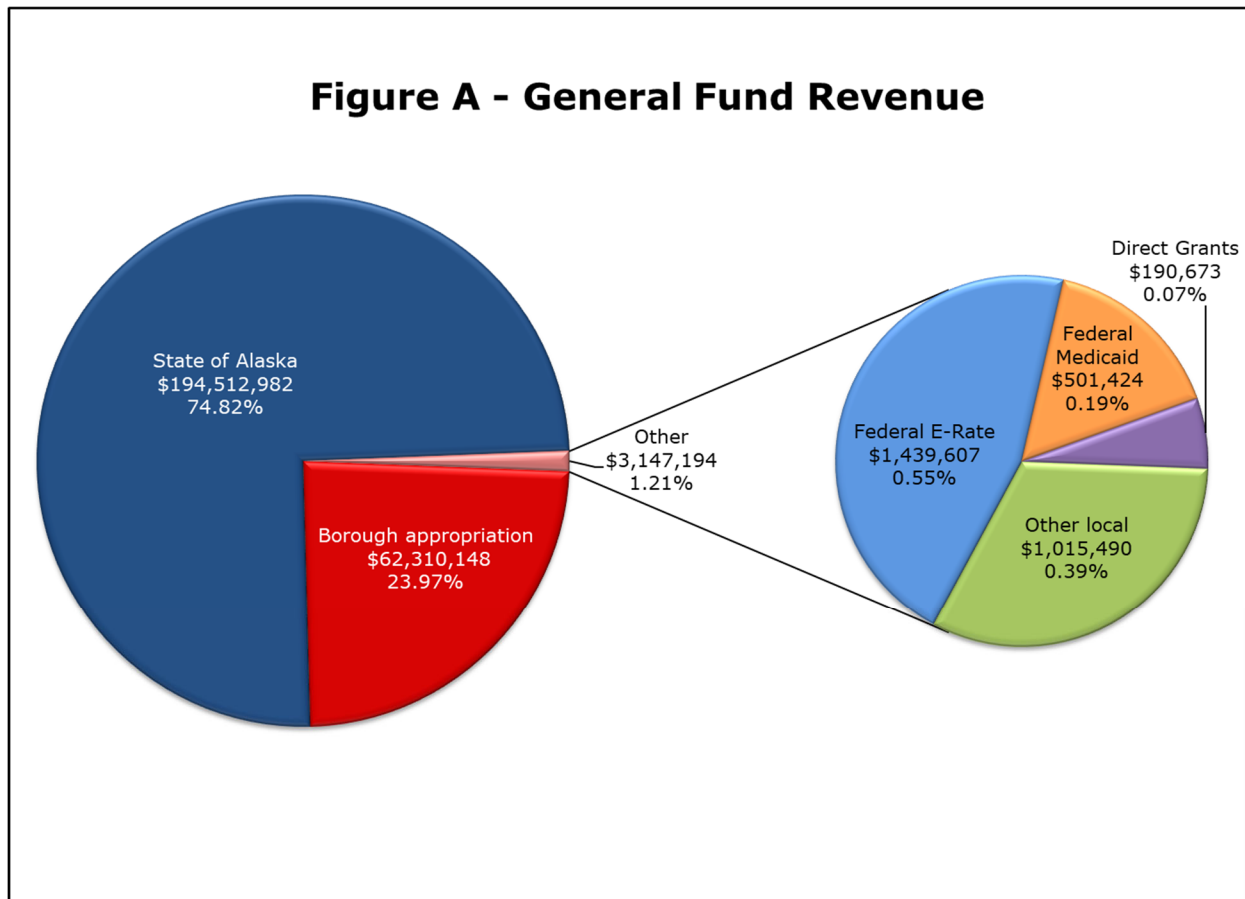
Year Ended June 30, 2021

Table 5 presents a summary of General Fund revenue, compares current year with the previous year, and shows the increase or (decrease) and percentage change.

**Table 5**  
**General Fund Revenue**

	2021	2020	Increase (Decrease)	Percentage Increase (Decrease)
Borough appropriation	\$ 62,310,148	\$ 60,665,932	\$ 1,644,216	2.71%
Other local	1,015,490	827,987	187,503	22.65%
State of Alaska	194,512,982	194,433,067	79,915	0.04%
Federal E-Rate	1,439,607	1,344,024	95,583	7.11%
Federal Medicaid	501,424	18,384	483,040	2627.50%
Direct Grants	190,673	217,486	(26,813)	100.00%
<b>Total Revenue</b>	<b>\$ 259,970,324</b>	<b>\$ 257,506,880</b>	<b>\$ 2,463,444</b>	<b>0.96%</b>

Figure A presents a chart of General Fund revenue by source for the fiscal year ended June 30, 2021.



# Matanuska-Susitna Borough School District

## Management's Discussion and Analysis

Year Ended June 30, 2021

The School District experienced an overall increase in revenue of \$14,764,324, or 5.16%. Program Revenues made up much of that increase. Operating grants and contributions increased by \$12,618,035, while Charges for Services increased by \$418,971. General Revenues increased by \$1,644,216. Borough funding increased by \$1,644,216 as a result of action taken by the Borough Assembly to link education funding to the millage rate equivalent of 6.3 mills. Federal E-rate funding was \$95,583 higher and Federal Medicaid funding was \$483,040 higher than in FY 2020. The large change in Federal Medicaid revenues was primarily due to completion of the change between software programs used to record Medicaid eligible encounter notes. Other local revenue, which consisted of facility use and other local reimbursements, increased from the prior year by \$187,503.

Table 6 presents a summary of the General Fund expenditures by function and reflects the change compared to the prior fiscal year in terms of both dollars and as a percentage. There was an increase in expenditures of 5.00% in FY 2021. Overall, expenditures in the General Fund increased by \$12,167,164 over FY 2020, largely due to salaries and benefits related expenditures.

**Table 6**  
**General Fund Expenditures**

	2021	2020	Increase (Decrease)	Percentage Increase (Decrease)
Instruction	\$ 153,957,780	\$ 143,353,333	\$ 10,604,447	7.40%
Support services - school	37,021,218	36,920,261	100,957	0.27%
School administration	21,415,630	20,321,287	1,094,343	5.39%
District administration	15,238,387	15,070,674	167,713	1.11%
Operations and maintenance	24,476,473	24,432,773	43,700	0.18%
Student activities	3,571,305	3,408,857	162,448	4.77%
Student transportation	(75)	-	(75)	-100.00%
Community services	142	-	142	100.00%
Food services	(862)	(7,851)	6,989	-89.02%
Construction and facilities acquisition	-	13,500	(13,500)	-100.00%
<b>Total Expenditures</b>	<b>\$ 255,679,998</b>	<b>\$ 243,512,834</b>	<b>\$ 12,167,164</b>	<b>5.00%</b>

Figure B presents a chart of General Fund expenditures by function for the fiscal year ended June 30, 2021.

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# Matanuska-Susitna Borough School District

## Management's Discussion and Analysis

Year Ended June 30, 2021

**Figure B - General Fund Expenditures**

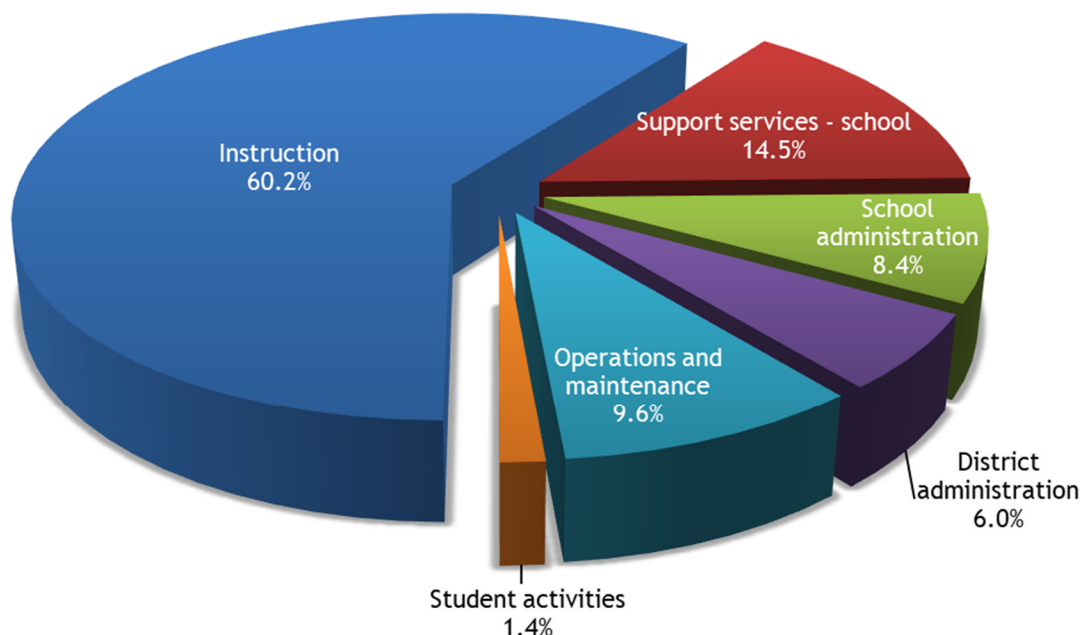


Table 6.1 on the following page has been provided for a comparative view of increases and decreases over the prior year. However, unlike Table 6, this table excludes on-behalf retirement payments from both years. This view demonstrates that, excluding any impact of on-behalf payments, the School District's expenditures increased by 5.16% overall from the prior fiscal year.

**Table 6.1**  
**General Fund Expenditures**

	2021	2020	Percentage Increase (Decrease)	Percentage Increase (Decrease)
Instruction	\$ 139,866,437	\$ 128,032,606	\$ 11,833,831	9.24%
Support services - school	33,219,439	34,752,445	(1,533,006)	-4.41%
School administration	19,763,984	18,757,138	1,006,846	5.37%
District administration	14,744,751	14,618,118	126,633	0.87%
Operations and maintenance	23,925,586	24,001,169	(75,583)	-0.31%
Student activities	3,296,739	3,117,978	178,761	5.73%
Student transportation	(75)	-	(75)	-100.00%
Community services	142	(7,851)	7,993	-101.81%
Food services	(862)	-	(862)	-100.00%
Construction and facilities acquisition	-	13,500	(13,500)	-100.00%
<b>Total Expenditures</b>	<b>\$ 234,816,141</b>	<b>\$ 223,285,103</b>	<b>\$ 11,531,038</b>	<b>5.16%</b>

# **Matanuska-Susitna Borough School District**

## **Management's Discussion and Analysis**

*Year Ended June 30, 2021*

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### **Capital Projects Fund**

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Outlays for construction and facilities acquisition were \$1,577,330 lower in FY 2021 than in the prior fiscal year. In the FY 2021 Winter Budget Revision, the School Board approved a transfer from the General Fund of \$1,650,704 to support a number of capital projects. In the Spring Budget Revision, the School Board approved the transfer of an additional \$7,134,222. Of that amount, \$6,000,000 in the Capital Project Fund was for the Houston Middle School replacement project and \$1,025,475 was for the construction of Twindly Bridge Charter School. The remaining \$108,747 was for fencing and security upgrades, portables, and fleet vehicles. The fund balance at the end of the year was \$1,354,116.

On January 20, 2021, the School District established a Renewal and Replacement Fund in order to account for projects which did not qualify as capital assets but which were restricted or committed for expenditure toward the renewal or replacement of assets. In creating this new fund, the School District transferred resources from the CIP Fund and recorded expenditures in the Renewal and Replacement Fund for specific projects more aligned with repair or maintenance activities meant to keep or restore assets to their normal operating conditions. This mid-year adjustment, along with ongoing expenditures for repairs and maintenance which are more appropriately classified to the Renewal and Replacement Fund than the Capital Projects Fund, contributed to the decrease in expenditures in the fund.

### **Proprietary Funds**

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The School District's proprietary fund financial statements provide the same type of information found in the government-wide financial statements, but in greater detail.

After the School District Board of Education took action during the fiscal year to commit specific revenues for program funding, the School District reclassified the enterprise fund balance and activity from the Mat-Su Construction Trades Fund to a special revenue fund.

The Workers' Compensation Self-Insurance Internal Service Fund was the only proprietary fund at the end of the fiscal year.

### **General Fund Budgetary Highlights**

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The School District Board of Education holds public hearings and recommends the School District budget. The Matanuska-Susitna Borough then considers the budget and appropriates funds for the School District budget. Once a budget has been approved, state law requires the District to submit its budget to the State of Alaska Department of Education and Early Development (DEED).

# **Matanuska-Susitna Borough School District**

## **Management's Discussion and Analysis**

*Year Ended June 30, 2021*

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The ending difference between the final amended budget and actual expended amounts in the General Fund totaled \$11,677,444 less than budgeted. This difference can largely be attributed to unspent funds appropriated to the functional areas of instruction (\$4,696,899), operations and maintenance of plant (\$2,255,435), and support services for instruction (\$1,863,582). In the instruction function, supplies, materials and media, professional and technical services, and other purchased services made up the most significant variances from the budget. For operations and maintenance of plant, energy, other purchases services, supplies, and employee benefits were the areas which had the greatest variance from the budget. For support services for instruction, certificated salaries, supplies, materials and media, and utility services varied the most from the budget.

The difference between the original and amended budgets is primarily from the School District's following significant highlights:

- Increase to the revenue budget for funding from the State of Alaska in the amount of \$3,076,452. This increase accounted for formula funding resulting from the hold harmless provision, due to fewer in-person learners, and more students being enrolled in the District's correspondence study programs.
- Increase to the E-rate revenue budget in the amount of \$921,788 for eligible expenditures towards internal network connections.
- Appropriations from Fund Balance of \$20,478,648, of which \$3,856,030 was attributable to charter school carry-over, \$1,625,491 was comprised of unspent student allotments, and \$14,997,127 was allocated from the General Fund's unassigned fund balance.
- Salary and benefits budgets increased by \$7,601,685 which was primarily due to the ratification of the MSEA and CEA collective bargaining agreements.
- Increased budget for professional and technical services of \$2,821,459 for increased legal fees and cumulative site-based adjustments made by schools and departments throughout the year.
- Increased budget for supplies, materials and media to account for \$4,445,775. Most of this change was attributable to the allocation of student allotment and charter school carryover funds from the prior year.
- The budget for transfers to other funds was increased by \$11,086,902 for transfers to other funds and other government units. Of that amount, \$6,000,000 was committed to the Mat-Su Borough for the Houston Middle School replacement project; another \$1,302,911 was allocated to the CIP Fund; \$796,651 was transferred from the General Fund to the Renewal and Replacement Fund; an additional \$1,475,587 was approved as a subsidy to the Pupil Transportation Fund; \$1,118,153 was appropriated for the Food Service Fund; and \$393,600 was transferred to the Debt Service Fund to be used for repayment of USDA loan obligations for Fronteras Spanish Immersion Charter School.

# **Matanuska-Susitna Borough School District**

## **Management's Discussion and Analysis**

*Year Ended June 30, 2021*

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### **Capital Projects Fund Budgetary Highlights**

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The School District Administration provides a prioritized list of capital project needs to the School District Board of Education for future project needs. The Board of Education then approves an appropriation of funds from the General Fund to be transferred to the Capital Projects Fund. Once funding has been approved, the Facilities Department coordinates scheduling completion of the projects.

The ending difference between the final amended budget and actual expended amounts in the Capital Project Fund equaled \$1,505,568. This difference can be attributed to:

- The timeline of the transfer to the fund. This transfer generally occurs in December each year.
- The multi-year timeline for many of the projects.

The difference between the original and amended budgets is a result of the existing balance in continuing projects as well as transfers made during the winter budget revision of \$3,381,059 and the spring budget revision of \$7,134,222. The most significant highlights for funded projects can be attributed to:

- The addition of \$6,000,000 for a contribution to the Mat-Su Borough to help fund the replacement of Houston Middle School.
- The reduction of \$2,614,536 to account for a transfer of project funds to the Renewal and Replacement Fund. This transfer was intended to more accurately report on project costs that do not qualify for capitalization under current accounting standards.
- The addition of \$1,025,475 for renovation and construction at Twindly Bridge Charter School.
- The addition of \$250,000 for fleet vehicle refresh.

### **Debt Service Fund**

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The Matanuska-Susitna Borough obtained a \$6,900,000 loan from the U.S. Department of Agriculture (USDA) on behalf of the School District to construct a new building for Fronteras Spanish Immersion Charter School. A fund for debt service was established June 7, 2017 to account for resources accumulated and committed to the repayment of long-term debt obligations. In FY 2021, \$393,600 was transferred to the Debt Service Fund. Total transfers exceeded expenditures by \$300, resulting in an ending fund balance of \$786,901.

### **Capital Asset and Debt Administration**

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#### ***Capital Assets***

The School District's investment in capital assets for its governmental activities as of June 30, 2021 amounted to \$17,730,974 (net of accumulated depreciation). This investment in capital assets consists primarily of land, buildings, equipment, and furnishings. Additional information is available in footnote 3 of the notes to the financial statements.

# **Matanuska-Susitna Borough School District**

## **Management's Discussion and Analysis**

*Year Ended June 30, 2021*

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### ***Debt Administration***

The School District's long-term obligations total \$10,823,832 and include capital leases payable in the amount of \$6,298,444, and accrued leave in the amount of \$4,525,388. Additional information about annual leave is available in footnote 4 of the notes to the financial statements. Additional obligations include the net pension liability and net other postemployment benefits liability which is shown on the Statement of Net Position and amount to \$156,754,896 and \$117,324 for FY 2021.

### **Economic Factors and Next Year's Budgets and Rates**

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In setting the budget for FY 2022, the School District considered a number of issues, with government-wide impacts among them, resulting in the following:

- Borough Revenue is maintained at 6.30 mills of the area-wide tax base and is expected to increase by \$3,531,658 based on growth in property values.
- The Base Student Allocation (BSA) was maintained at \$5,930 per student. Total Foundation Program funding is not expected to see a significant increase and is estimated at \$170,992,118 in FY 2022.
- The adopted budget for FY 2022 was set with a projected student enrollment of 19,135, which represents an increase of 1,250 students over FY 2021. This projection assumes 75% of families who elected correspondence study options for the first time during the 2020-21 school year would return to their neighborhood schools in the fall of 2021.
- The intensive count was projected to remain at 547 students for FY 2022.
- The State's hold harmless provision is expected to generate \$695,470 towards basic need.
- Federal Revenue from the Medicaid and E-rate programs as well as Other Local Revenue are not expected to see major changes in the coming year.
- PERS/TRS cost sharing is maintained in FY 2021, with total funding estimated to be \$22,498,905, a \$1,635,048 increase over FY 2021 based on increasing salaries and adjustments in actuarial rates approved by the Alaska Retirement Management Board.
- Certificated salaries are expected to decrease by \$982,379 over FY 2021 actuals as a result of changing the funding source for approximately 10 FTE positions. In the adopted budget for FY 2022, certificated salaries were budgeted at \$103,083,655. To support the initiative of maintaining class sizes in FY 2022, the School Board voted to reduce 111.0 FTE certified positions from the General Fund in the fall budget revision and authorized these positions be funded from the American Rescue Plan Act (ESSER III) award, bringing the total budget for certificated salaries to \$93,731,005.
- Non-certificated salaries are expected to increase by \$1,874,732 over FY 2021 actuals as a result of regular movement. Non-certificated salaries were budgeted at \$37,541,149 for FY 2022.
- Health insurance is projected to increase by 6%, which is split 50/50 between the District for CEA and MSEA bargaining units. Administration and MLMA bargaining units will be changing health insurance providers in FY 2022. Initial savings from the change in health insurance providers was used to support initial contributions to Health Savings Accounts.
- All other benefits are adjusted as a percent of estimated salaries.
- Utilities are projected to maintain existing rates, with total costs estimated to be \$8,691,918.

# **Matanuska-Susitna Borough School District**

## **Management's Discussion and Analysis**

*Year Ended June 30, 2021*

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- Insurance line items are expected to increase by 15%, based on recent claims experience and adverse market conditions.
- Lastly, the Pupil Transportation Fund is expected to have a revenue shortfall of \$2,217,561. This revenue shortfall reflects service costs in excess of funding levels provided by the State of Alaska.

The COVID-19 global pandemic is expected to continue to have an impact on School District operations in the upcoming year. While the School District kept schools open to in-person learning in the 2020-21 school year and anticipates being able to do so again in the 2021-22 school year, many families chose to enroll their students in correspondence study programs or in the District's "at-home" learning option on a temporary basis. The District assumed that some families who elected correspondence learning for the first time in the 2020-21 school year would transition back to in-person learning. However, projecting when and how many students would return to in person learning did present a unique challenge. Fortunately, the State's Foundation Formula Program has a hold harmless provision that will provide some stability if the District's average daily membership (ADM) after the school size adjustment continues to remain at least 5% less than the base year (FY 2020). According to the State's hold harmless provision, school districts are eligible to receive 75% of the school size adjusted ADM difference between the first year and the base year; 50% of the school size adjusted ADM difference between the second year and the base year; and 25% of the school size adjusted ADM difference between the third year and the base year. In FY 2021, the hold harmless provision generated \$9,984,341 towards basic need. With more students expected to return to their neighborhood schools in FY 2022, the hold harmless provision is estimated to be less impactful, generating approximately \$695,470 towards basic need.

Additionally, the District plans on utilizing federal funds made available through the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act of 2020 and the American Rescue Plan (ARP) Act of 2021 to assist with its ongoing response to the pandemic. The Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) of 2021 was signed into law on December 27, 2020, and provided an additional \$54.3 billion for the Elementary and Secondary School Emergency Relief Fund (ESSER II Fund). The ESSER section of the CRRSA Act allows funds to be used for any activity authorized by the Elementary and Secondary Education Act (ESEA), Individuals with Disabilities Education Act (IDEA), Adult Education and Family Literacy Act, the Carl D. Perkins Career and Technical Education (CTE) Act, and McKinney-Vento Education Assistance Homeless Act, in addition to other activities to help with the response to COVID-19, including preparedness and response efforts, sanitation, improving indoor air quality, professional development, learning loss, quality assessments, and distance learning. The allocation from DEED for the District was \$15.8 million.

The proposed two-year spending plan for ESSER II Funds for FY 2022 and FY 2023 was approved by the School Board on March 3, 2021. The spending plan includes classroom teachers, counselors, custodial service staff, a nurse coordinator to assist in maintaining appropriate health guidelines, building substitutes, and professional development related to curriculum (math, AP, and differentiation). Proposed non-personnel expenditures include classroom technology, HVAC improvements and custodial equipment, year-round interventions to address learning loss, CTE certifications and AP testing, allocations provided to charter schools based on their enrollment, and estimated indirect costs, which provides revenue to the School District to offset some of the costs associated with administration of the grant.

# **Matanuska-Susitna Borough School District**

## **Management's Discussion and Analysis**

*Year Ended June 30, 2021*

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The American Rescue Plan (ARP) Act of 2021 was signed into law on March 11, 2021. The ARP Act provided an additional \$122 billion for the Elementary and Secondary School Emergency Relief Fund (ESSER III Fund). Through the ARP Act, the State of Alaska Department of Education & Early Development (DEED) has awarded the Matanuska-Susitna Borough School District \$35.5 million. The purpose of the funds is to help meet a wide range of needs arising from the coronavirus pandemic, including reopening schools safely, sustaining their safe operation, and addressing students' social, emotional, mental health, and academic needs resulting from the pandemic. The ESSER section of the ARP Act allows districts to use up to 80% of funds for any activity authorized by the Title 1, Part A formula. Districts must use at least 20% of the funds to address learning loss through the implementation of evidence-based interventions.

The proposed three-year budget for ESSER III Funds for FY 2022, FY 2023, and FY 2024 was accepted by the School Board on June 2, 2021. The spending plan of the School District includes maintaining staffing levels to address learning loss and increase student achievement; funding classroom technology; supporting before/after school programs; expanding summer learning opportunities; and providing for additional custodial positions to promote safe and healthy schools.

### **Requests for Information**

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This report is designed to provide borough residents, parents, students, investors, creditors, and other interested parties with a general overview of financial performance and to demonstrate fiscal accountability for the resources that the School District receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Luke Fulp, Deputy Superintendent of Business and Operations  
Matanuska-Susitna Borough School District  
501 N. Gulkana St.  
Palmer, Alaska 99645  
Phone: (907) 761-4001

## **Basic Financial Statements**

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**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Statement of Net Position**

<i>June 30, 2021</i>	Governmental Activities
<b>Assets and Deferred Outflows of Resources</b>	
<b>Assets</b>	
Cash	\$ 23,782,719
Accounts receivable:	
Federal and state grants	10,375,216
Other	912,915
Inventory	2,954,691
Prepaid items	4,901,612
Net other postemployment benefits assets	23,570,598
Capital assets not being depreciated	119,632
Capital assets, net of accumulated depreciation	17,730,974
<b>Total Assets</b>	<b>84,348,357</b>
<b>Deferred Outflows of Resources:</b>	
Pension related	17,238,064
Other postemployment benefits related	12,069,902
<b>Total Deferred Outflows of Resources</b>	<b>29,307,966</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 113,656,323</b>
<b>Liabilities, Deferred Inflows of Resources and Net Position</b>	
<b>Liabilities</b>	
Accounts payable	\$ 3,101,796
Accrued payroll and related liabilities	8,704,472
Unearned revenue	580,256
Claims payable	769,500
Noncurrent liabilities:	
Accrued leave - due within one year	2,740,252
Capital lease - due within one year	167,750
Accrued leave - due in more than one year	1,785,136
Capital lease payable - due in more than one year	6,130,694
Net pension liability	156,754,896
Net other postemployment benefits liability	117,324
<b>Total Liabilities</b>	<b>180,852,076</b>
<b>Deferred Inflows of Resources</b>	
Pension related	3,703,646
Other postemployment benefits related	10,990,543
<b>Total Deferred Inflows of Resources</b>	<b>14,694,189</b>
<b>Net Position</b>	
Net investment in capital assets	11,552,162
Restricted for correspondence program	3,162,995
Unrestricted (deficit)	(96,605,099)
<b>Total Net Position</b>	<b>(81,889,942)</b>
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<b>\$ 113,656,323</b>

*See accompanying notes to basic financial statements.*

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Statement of Activities**

<i>Year Ended June 30, 2021</i>	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contri- butions	
<b>Governmental Activities</b>				
Instruction	\$ 115,119,822	\$ -	\$ 22,747,614	\$ (92,372,208)
Special education instruction	41,125,803	-	5,331,423	(35,794,380)
Special education support services - students	17,712,718	-	3,243,587	(14,469,131)
Support services - students	10,561,849	-	2,673,765	(7,888,084)
Support services - instruction	10,885,288	-	3,678,496	(7,206,792)
School administration	10,062,860	-	1,354,001	(8,708,859)
School administration support services	9,976,951	-	541,982	(9,434,969)
District administration	1,233,605	-	80,680	(1,152,925)
District administration support services	15,056,835	-	1,935,783	(13,121,052)
Operations and maintenance of plant	27,975,549	-	1,254,256	(26,721,293)
Student activities	4,887,911	1,300,414	299,806	(3,287,691)
Student transportation - other transportation services	249,527	-	249,527	-
Student transportation - to and from school	17,600,419	-	14,434,502	(3,165,917)
Community services	47,801	-	56,776	8,975
Food services	6,826,217	117,724	8,244,311	1,535,818
Construction and facilities acquisition	-	-	7,566	7,566
Interest on long-term debt	231,513	-	-	(231,513)
<b>Total Governmental Activities</b>	<b>\$ 289,554,668</b>	<b>\$ 1,418,138</b>	<b>\$ 66,134,075</b>	<b>(222,002,455)</b>
<b>General Revenues</b>				
				62,310,148
Borough appropriation				
State grants and entitlements				173,839,797
not restricted to a specific purpose				1,439,607
E-rate				501,424
Medicaid reimbursement				1,015,490
Other				
<b>Total General Revenues</b>				<b>239,106,466</b>
<b>Special item - transfer to other Government</b>				<b>(6,000,000)</b>
Change in net position				11,104,011
<b>Net Position, (deficit) beginning, restated (Nc</b>				<b>(92,993,953)</b>
<b>Net Position, (deficit) end of year</b>				<b>\$ (81,889,942)</b>

*See accompanying notes to basic financial statements.*

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Governmental Funds**  
**Balance Sheet**

	Major Funds			Total Govern- mental Funds
	General	Capital Project Fund	Nonmajor Funds	
<i>June 30, 2021</i>				
<b>Assets</b>				
Cash	\$ 13,298,867	\$ 1,430,628	\$ 6,820,938	\$ 21,550,433
Accounts receivable:				
Federal, state and local grants	-	-	10,375,216	10,375,216
Other	877,934	-	-	877,934
Inventory	1,547,606	-	1,407,085	2,954,691
Prepaid items	4,899,613	-	1,999	4,901,612
Due from other funds	10,968,196	-	-	10,968,196
<b>Total Assets</b>	<b>\$ 31,592,216</b>	<b>\$ 1,430,628</b>	<b>\$ 18,605,238</b>	<b>\$ 51,628,082</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ 2,146,481	\$ 76,512	\$ 861,828	\$ 3,084,821
Accrued payroll and related liabilities	8,704,472	-	-	8,704,472
Unearned revenue	-	-	580,256	580,256
Due to other funds	-	-	9,487,404	9,487,404
<b>Total Liabilities</b>	<b>10,850,953</b>	<b>76,512</b>	<b>10,929,488</b>	<b>21,856,953</b>
<b>Fund Balances</b>				
Nonspendable	6,447,219	-	1,409,084	7,856,303
Restricted	3,162,995	-	-	3,162,995
Committed	-	1,354,116	4,898,170	6,252,286
Assigned	500,000	-	1,368,496	1,868,496
Unassigned	10,631,049	-	-	10,631,049
<b>Total Fund Balances</b>	<b>20,741,263</b>	<b>1,354,116</b>	<b>7,675,750</b>	<b>29,771,129</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 31,592,216</b>	<b>\$ 1,430,628</b>	<b>\$ 18,605,238</b>	<b>\$ 51,628,082</b>

*See accompanying notes to basic financial statements.*

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Statement of Net Position**  
**June 30, 2021**

Total fund balances of governmental funds	\$ 29,771,129
Total net position reported for governmental activities in the statement of net position is different because:	
Capital assets net of accumulated depreciation used in governmental activities are not financial resources and therefore are not reported in the funds.	
Land	\$ 119,632
Building, furnishings and equipment	41,458,210
Accumulated depreciation	<u>(23,727,236)</u>
Total capital assets	<u>17,850,606</u>
Certain other postemployment benefit plans have been funded in excess of the required contributions. These assets are not financial resources and therefore are not reported in the funds.	
Net other postemployment benefits asset	<u>23,570,598</u>
Long-term liabilities are not due and payable in the current period and therefore are not reported as fund liabilities. Long-term liabilities reported in these statements consist of:	
Accrued leave	(4,525,388)
Capital lease payable	(6,298,444)
Net pension liability	(156,754,896)
Net other postemployment benefits liability	<u>(117,324)</u>
Total long-term liabilities	<u>(167,696,052)</u>
Certain changes in net pension liabilities and net other postemployment benefits assets and liabilities are deferred rather than recognized immediately. These are amortized over time.	
Deferred outflows of resources related to pensions	17,238,064
Deferred inflows of resources related to pensions	(3,703,646)
Deferred outflows of resources related to other postemployment benefits	12,069,902
Deferred inflows of resources related to other postemployment benefits	<u>(10,990,543)</u>
Total deferred pension and other postemployment benefits items	<u>14,613,777</u>
<b>Net Position of Governmental Activities</b>	<b><u>\$ (81,889,942)</u></b>

*See accompanying notes to basic financial statements.*

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Governmental Funds**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**

	Major Funds			Total Govern- mental Funds
Year Ended June 30, 2021	General	Capital Project Fund	Nonmajor Funds	
<b>Revenues</b>				
Local sources:				
Borough appropriation	\$ 62,310,148	\$ -	\$ -	\$ 62,310,148
Other	1,015,490	-	1,695,316	2,710,806
State of Alaska	194,512,982	-	15,268,087	209,781,069
Federal sources:				
E-rate	1,439,607	-	-	1,439,607
Medicaid reimbursement	501,424	-	-	501,424
Direct grants	190,673	-	643,492	834,165
Grants passed through the State of Alaska	-	-	31,735,404	31,735,404
Grants passed through intermediate agencies	-	-	62,820	62,820
<b>Total Revenues</b>	<b>259,970,324</b>	<b>-</b>	<b>49,405,119</b>	<b>309,375,443</b>
<b>Expenditures</b>				
Current:				
Instruction	111,385,024	-	15,062,517	126,447,541
Special education instruction	42,572,756	-	2,302,925	44,875,681
Special education support services - students	17,473,661	-	1,917,145	19,390,806
Support services - students	10,609,671	-	1,471,930	12,081,601
Support services - instruction	8,937,886	-	2,863,995	11,801,881
School administration	11,055,847	-	308,165	11,364,012
School administration support services	10,359,783	-	100,042	10,459,825
District administration	1,349,835	-	-	1,349,835
District administration support services	13,888,552	-	1,507,520	15,396,072
Operations and maintenance of plant	24,476,473	-	1,820,493	26,296,966
Student activities	3,571,305	-	1,607,304	5,178,609
Student transportation - to and from school	(75)	-	17,598,767	17,598,692
Student transportation - other transportation services	-	-	249,527	249,527
Community services	142	-	47,642	47,784
Food services	(862)	-	6,872,559	6,871,697
Debt Service:				
Principal	-	-	161,787	161,787
Interest	-	-	231,513	231,513
Capital outlay - construction and facilities acquisition	-	1,297,358	-	1,297,358
<b>Total Expenditures</b>	<b>255,679,998</b>	<b>1,297,358</b>	<b>54,123,831</b>	<b>311,101,187</b>
Excess (Deficiency) of revenues over expenditures	4,290,326	(1,297,358)	(4,718,712)	(1,725,744)
<b>Other Financing Sources (Uses)</b>				
Transfers in	147,052	8,798,526	7,377,780	16,323,358
Transfers out	(12,218,152)	(147,052)	(3,740,768)	(16,105,972)
<b>Net Other Financing Sources (Uses)</b>	<b>(12,071,100)</b>	<b>8,651,474</b>	<b>3,637,012</b>	<b>217,386</b>
<b>Special Item - Transfer to Other Governmental Units</b>	<b>-</b>	<b>(6,000,000)</b>	<b>-</b>	<b>(6,000,000)</b>
Net Change in Fund Balances	(7,780,774)	1,354,116	(1,081,700)	(7,508,358)
<b>Fund Balances, beginning of year, as restated (Note 14)</b>	<b>28,522,037</b>	<b>-</b>	<b>8,757,450</b>	<b>37,279,487</b>
<b>Fund Balances, end of year</b>	<b>\$ 20,741,263</b>	<b>\$ 1,354,116</b>	<b>\$ 7,675,750</b>	<b>\$ 29,771,129</b>

*See accompanying notes to basic financial statements.*

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Reconciliation of the Statement of Revenues, Expenditures and Changes in  
Fund Balances of Governmental Funds to the Statement of Activities  
Year Ended June 30, 2021**

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Net change in fund balances - total governmental funds \$ (7,508,358)

The change in net position reported for governmental activities in the statement  
of activities is different because:

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of those  
assets is allocated over their estimated useful lives as  
depreciation expense. This is the amount by which depreciation  
exceeded capital outlay:

Capital outlay	\$ 2,007,703	
Depreciation expense	(3,285,660)	
	(1,277,957)	(1,277,957)

Amounts reported in the Proprietary Funds of the District are  
used to support ongoing educational programs. Their activities  
are appropriately recorded with governmental activities in  
the statement of activities. (217,386)

Repayment of the principal of long-term debt consumes current  
financial resources of governmental funds. However, this does  
effect net position. This amount is the principal payments on  
long-term debt. 161,787

Some expenses reported in the statement of activities such as  
compensated absences do not require the use of current  
financial resources and therefore are not reported as expenditures  
in governmental funds.

Increase in accrued leave	(344,939)	
Decrease in net pension liability and related deferred outflows and inflows of resources	4,710,965	
Decrease in net OPEB asset/liability and related deferred outflows and inflows of resources	15,579,899	

<b>Change in Net Position of Governmental Activities</b>		<b>\$ 11,104,011</b>
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*See accompanying notes to basic financial statements.*

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Proprietary Funds**  
**Statement of Net Position**

	Governmental Activities	
	Nonmajor Enterprise Funds	Internal Service Fund
<i>June 30, 2021</i>		
<b>Assets</b>		
Cash	\$ -	\$ 2,232,286
Accounts receivable	-	34,981
<b>Total Assets</b>	\$ -	\$ 2,267,267
<b>Liabilities and Net Position</b>		
<b>Liabilities</b>		
Accounts payable	\$ -	\$ 16,975
Due to other funds	-	1,480,792
Claims payable	-	769,500
<b>Liabilities</b>	-	2,267,267
<b>Net Position - unrestricted</b>	-	-
<b>Total Liabilities and Net Position</b>	\$ -	\$ 2,267,267

*See accompanying notes to basic financial statements.*

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Proprietary Funds**  
**Statement of Revenues, Expenses and Changes in Net Position**

	Governmental Activities	
	Nonmajor Enterprise Funds	Internal Service Fund
<i>Year Ended June 30, 2021</i>		
<b>Operating Revenues</b>		
Interfund charges	\$ -	\$ 1,375,246
<b>Operating Expenses</b>		
District administration support services:		
Claims expense	-	1,165,753
General and administrative	-	209,493
<b>Total Operating Expenses</b>	-	1,375,246
Operating income	-	-
<b>Other Financing Uses - transfers out</b>	(217,386)	-
Change in Net Position	(217,386)	-
<b>Net Position, beginning of year</b>	217,386	-
<b>Net Position, end of year</b>	\$ -	\$ -

*See accompanying notes to basic financial statements.*

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Proprietary Funds**  
**Statement of Cash Flows**

	Governmental Activities	
	Nonmajor Enterprise Funds	Internal Service Fund
<i>Year Ended June 30, 2021</i>		
<b>Cash Flows from Operating Activities</b>		
Payments from interfund charges	\$ -	\$ 1,340,265
Payments to suppliers	-	(1,458,654)
Receipts from customers	10,630	-
<b>Net Cash Flows from (for) Operating Activities</b>	<b>10,630</b>	<b>(118,389)</b>
<b>Cash Flows from (for) Noncapital Financing Activities</b>		
Increase in due from other funds	-	575,011
Transfers to other funds	(217,386)	-
<b>Net Cash Flows from (for) Noncapital Financing Activities</b>	<b>(217,386)</b>	<b>575,011</b>
Net increase (decrease) in cash	(206,756)	456,622
Cash, beginning of year	206,756	1,775,664
<b>Cash, end of year</b>	<b>\$ -</b>	<b>\$ 2,232,286</b>
<b>Reconciliation of Operating Income from</b>		
<b>Net Cash Flows from (for) Operating Activities</b>		
Operating income	\$ -	\$ -
Adjustments to reconcile operating income from net cash flows from (for) operating activities:		
Increase in accounts receivable	-	(34,981)
Increase in accounts payable	-	9,634
Decrease in prepaids	2,000	-
Decrease in inventory	8,630	-
Decrease in claims payable	-	(93,042)
<b>Net Cash Flows from (for) Operating Activities</b>	<b>\$ 10,630</b>	<b>\$ (118,389)</b>

*See accompanying notes to basic financial statements.*

# Matanuska-Susitna Borough School District

## (A Component Unit of the Matanuska-Susitna Borough)

### Notes to Basic Financial Statements

#### June 30, 2021

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#### 1. Summary of Significant Accounting Policies

The financial statements of the Matanuska-Susitna Borough School District (the District) have been prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District's most significant accounting policies are described below.

##### ***A. Reporting Entity***

The accompanying financial statements include all the activities of the Matanuska-Susitna Borough School District. The District is a component unit of the Matanuska-Susitna Borough, Alaska.

Pursuant to Alaska Statutes, Title 29.43.030, the Matanuska-Susitna Borough (the Borough) has the responsibility of establishing, maintaining and operating a system of public schools. The Borough has delegated the administrative responsibilities for these functions to the Matanuska-Susitna Borough School District School Board. Members of the School Board are elected by the public. The School Board has delegated responsibility for establishing, maintaining, and operating a system of public schools to the School Board on an area-wide basis. The School Board is required to submit an annual budget to the Borough Assembly for approval, and any bonds must also be issued by the Borough.

The financial statements included in this report are for the Matanuska-Susitna Borough School District only. There are no component units for which the District is financially accountable, nor do any special financial relationships exist between the District and any other entity.

##### ***B. Basis of Presentation***

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information about the overall government without displaying individual funds or fund types. In general, the effects of interfund activity have been removed from these statements to minimize the double-counting of internal activities. The District reports *governmental activities*, which are normally supported by intergovernmental revenues.

The statement of net position presents the financial condition of the governmental activities of the District at year-end. The statement of activities presents a comparison between direct expenditures and program revenues for each program or function of the District's governmental activities. Direct expenditures are those that are specifically associated with a service, program or department and are, therefore, clearly identifiable to a particular function.

*Program revenues* include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as *general revenues* of the District. The comparison of direct expenditures with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Fund financial statements are provided for governmental funds and proprietary funds. The focus of the fund financial statements is on major funds which are presented in separate columns. Nonmajor funds are aggregated and presented in a single column.

# Matanuska-Susitna Borough School District

## (A Component Unit of the Matanuska-Susitna Borough)

### Notes to Basic Financial Statements

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#### *C. Measurement Focus, Basis of Accounting and Financial Statement Presentation*

The government-wide and proprietary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District recognizes revenues to be available for the current period if they are collected within 60 days of the end of the period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only to the extent that they have matured.

Charges for services, intergovernmental revenues, and investment income associated with the current fiscal period are all considered to be subject to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when collected by the District.

The District reports the following major funds:

The *General Fund* is the District's primary operating fund. It accounts for all activities except those required to be accounted for in the other governmental funds, the proprietary funds, or the fiduciary funds.

The *Capital Project Fund* is a capital project fund used to account for all resources used for acquiring capital facilities including real property, initial equipment, additions and major repairs or improvements to facilities. This fund includes all projects funded by transfers from the General Fund. The District has elected to show this fund as a major fund because the information is relevant to the user of the District's financial statements.

The other funds of the District are considered nonmajor and are as follows:

*Special Revenue Funds* are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specific uses.

*Capital Project Funds* are used to account for all resources received and used for acquiring equipment, additions and major repairs or improvements to facilities.

*Debt Service Funds* are used to account for resources accumulated for payments of principal and interest on the long-term debt of governmental funds.

# Matanuska-Susitna Borough School District

## (A Component Unit of the Matanuska-Susitna Borough)

### Notes to Basic Financial Statements

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*Proprietary Funds* are used to distinguish activities related to *operating* revenues and expenses from the Districts' *nonoperating* activities. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the District's principal ongoing operations. Operating expenses for the enterprise funds include the costs of sales, services, and administrative expenses. All revenues and expenses not meeting this definition that are related to the District's business-type activities are reported as nonoperating revenues and expenses within the proprietary funds.

*Enterprise Funds* are a type of proprietary fund that is used to account for the business-type activities of the District for which a fee is charged to external users. It is the intent that revenues of the enterprise funds will be devoted principally to funding the enterprise activity. Because the enterprise fund activities fall within the educational mission of the District, these funds are accounted for as *governmental activities* in the government-wide financial statements. At the end of the fiscal year, the Mat-Su Construction Trades Program Enterprise Fund transferred the remaining fund balance to the Mat-Su Construction Trades Program Special Revenue Fund.

*Internal Service Funds* are the second type of proprietary fund, and are used to track the business-type activities that provide goods and services within the District. An Internal Service Fund is used to account for the processing of worker's compensation self-insurance transactions provided across all funds. Because this fund directly benefits other governmental funds, it is also classified as *governmental activities* in the government-wide financial statements.

#### **D. Budgets**

Annual budgets for operations are adopted by the School Board for operating revenues, expenditures, and interfund transfers. Budgets are prepared and presented on the modified accrual basis of accounting for governmental funds. The majority of the district's funds have been budgeted for. The legal level of control (that is, the level at which expenditures cannot legally exceed the appropriation) is at the fund level.

The adopted School Operating Fund (General Fund) budget is submitted to the Matanuska-Susitna Borough for review and approval. The approved budget is also submitted to the State of Alaska, Department of Education and Early Development for review to determine compliance with Alaska statutes and Department regulations.

The School Board retains line item authority once the annual Borough appropriation to the District is approved by the Borough Assembly.

#### **E. Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General and Special Revenue Funds.

#### **F. Cash**

The District's Cash is considered to be cash on hand, demand deposits, and certificate of deposits with original maturities of three months or less from the date of acquisition. For the Statement of Cash Flows, the District reports these amounts as cash.

# **Matanuska-Susitna Borough School District**

## **(A Component Unit of the Matanuska-Susitna Borough)**

### **Notes to Basic Financial Statements**

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#### ***G. Short-Term Interfund Receivables and Payables***

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the governmental funds balance sheet and proprietary funds statement of net position.

#### ***H. Inventories and Prepaid Items***

Warehouse inventories are valued using the average method and fuel inventories are valued using the consumption method that is marked to market value. The Food Service Fund is inventoried on a FIFO (first-in, first-out) basis. Inventory in the General Fund consists of heating fuel for the schools and other buildings, warehouse custodial inventory, and correspondence school shelf stock. Inventory in the Special Revenue Funds consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are consumed.

Payments made to vendors for services that will benefit periods beyond June 30, 2021, are recorded as prepaid items. The cost of prepaid items is recorded as expenditures when consumed rather than when purchased. Year-end prepaid items are recorded as assets and are classified as "nonspendable" fund balance, indicating that such amounts do not represent "available spendable resources."

#### ***I. Capital Assets***

Capital assets result from expenditures in the governmental funds. With the exception of Twindly Bridge Charter School and Fronteras Spanish Immersion Charter School, capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported on the balance sheet of the fund financial statements.

All purchased capital assets except land are valued at cost. Donated capital assets are valued at acquisition value on the date of donation. Acquisition value is the price that would be paid to acquire an assets with equivalent service potential in an orderly market transaction at the acquisition date. The District maintains an assets capitalization threshold of \$5,000 (\$25,000 for software). For the most part, the District does not possess building infrastructure. With the exception of Twindly Bridge Charter School and Fronteras Spanish Immersion Charter School, buildings (and any related debt) are owned by the Borough and are not recorded in these financial statements.

All reported capital assets except for land are depreciated. Depreciation is computed on the straight line basis over the estimated useful life of the assets, generally 3 to 7 years for equipment and vehicles, and 40 years for buildings. Expenditures for maintenance and repairs that do not add to the expected useful life or add functionality to an asset are recognized as operating expenses when incurred and are not capitalized.

#### ***J. Accrued Leave***

All permanent employees earn and accrue vacation and sick leave. Unused leave is accrued utilizing current salary cost as earned by employees and recorded as a liability in the government-wide statement of net position. No compensated absence liability is recorded in the fund financial statements.

# Matanuska-Susitna Borough School District

## (A Component Unit of the Matanuska-Susitna Borough)

### Notes to Basic Financial Statements

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#### ***K. Unearned Revenue***

Amounts received from grantor agencies, which are restricted as to use and have not yet been expended for the intended use are shown on the balance sheet and statement of net position as unearned revenue.

#### ***L. Pensions and Other Postemployment Benefits (OPEB)***

For purposes of measuring the net pension and OPEB liabilities and assets, and related deferred outflows of resources and deferred inflows of resources and pension / OPEB expense, information about the fiduciary net position of the Public Employees' Retirement System (PERS) and the Teachers' Retirement Systems (TRS) and additions to/from PERS/TRS fiduciary net position have been determined on the same basis as they are reported by PERS/TRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

#### ***M. Deferred Outflows of Resources and Deferred Inflows of Resources***

In addition to assets, the statement of net position may sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditure) until then. The District reports certain pension and OPEB related items as deferred outflows of resources. These items are amortized to expense over time.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District reports certain pension and OPEB related items as deferred inflows of resources. These items are amortized as a reduction to expense over time.

#### ***N. Fund Balances***

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources.

Nonspendable fund balance. This classification includes amounts that cannot be spent because they are either (a) not in spendable form—prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balances comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

*Restricted fund balance.* This classification reflects the external constraints imposed on resources either (a) by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

# Matanuska-Susitna Borough School District

## (A Component Unit of the Matanuska-Susitna Borough)

### Notes to Basic Financial Statements

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*Committed fund balance.* These amounts can only be used for specific purposes pursuant to constraints imposed by the District itself, through formal resolutions of the District's Board—the government's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the District's Board removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

*Assigned fund balance.* This classification represents the resources the District's intends to use for specific purposes, but are neither restricted nor committed. The District's Superintendent has the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

*Unassigned fund balance.* This category of fund balance contains the resources not required to be reported in one of the other categories. It is also used to report negative fund balances in other governmental funds. A negative number indicates that the District spent more for a particular purpose than was available in that fund.

When both restricted and unrestricted resources are available for use, it is the District's policy to use externally restricted resources first, followed by unrestricted resources—committed, assigned, and unassigned—in order as needed.

#### ***O. Management Estimates and Assumptions***

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows/inflows of resources and liabilities and disclosure of contingent assets, deferred outflows/inflows of resources and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results may differ from those estimates.

## **2. Cash**

The District's cash resources for general operations are maintained in a central treasury shared with the Borough. In addition, the District maintains some of its own accounts for specific purposes such as the Worker's Compensation Fund. Negative cash balances have been reclassified to "due to other funds."

#### ***Custodial Credit Risk***

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District is a component unit of the Matanuska-Susitna Borough (Borough). The Borough Assembly has approved an investment policy, which includes the District, under which the Borough may invest only in and through United States banks, credit unions and brokers, investments fully collateralized if the amount is more than insurance provided, and institutions with third-party security agreements for collateral on file with the Borough. The cash deposits in the accounts maintained in the School District's name are insured by the Federal Deposit Insurance Corporation or covered by collateralization agreements.

# Matanuska-Susitna Borough School District

## (A Component Unit of the Matanuska-Susitna Borough)

### Notes to Basic Financial Statements

### 3. Capital Assets

Capital asset activity for the year ended June 30, 2021 follows:

Governmental Activities	Balance June 30, 2020	Additions	Deletions	Balance June 30, 2021
Capital assets not being depreciated Land	\$ 119,632	\$ -	\$ -	\$ 119,632
Capital assets being depreciated				
Furnishings and equipment	31,363,595	2,007,703	(13,088)	33,358,210
Buildings	8,100,000	-	-	8,100,000
Total assets being depreciated	39,463,595	2,007,703	(13,088)	41,458,210
Accumulated depreciation				
Furnishings and equipment	(19,382,164)	(3,073,060)	13,088	(22,442,136)
Buildings	(1,072,500)	(212,600)	-	(1,285,100)
Total accumulated depreciation	(20,454,664)	(3,285,660)	13,088	(23,727,236)
Total assets being depreciated, net	19,008,931	(1,277,957)	-	17,730,974
<b>Net Capital Assets</b>	<b>\$ 19,128,563</b>	<b>\$ (1,277,957)</b>	<b>\$ -</b>	<b>\$ 17,850,606</b>

Depreciation expense was charged to the governmental functions of the District as follows for the year ended June 30, 2021:

Instruction	\$ 63,953
Special education support services - students	2,020
Support services - students	1,485
Support services - instruction	44,326
School administration support services	3,641
District administration support services	926,295
Operations and maintenance of plant	2,234,824
Student activities	9,116
<b>Total Depreciation</b>	<b>\$ 3,285,660</b>

In addition, significant capital construction and related capital asset activity relevant to the District has been recorded on the Matanuska-Susitna Borough's financial statements. As described in Note 4, the District has recorded capital assets for land and buildings recorded as capital leases. The legal title of these buildings rests with the Borough.

# Matanuska-Susitna Borough School District

## (A Component Unit of the Matanuska-Susitna Borough)

### Notes to Basic Financial Statements

#### 4. Long-term Obligations

A schedule of changes in long-term obligations for the year ended June 30, 2021 follows:

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021	Due Within One Year
Capital lease payable	\$ 6,460,231	\$ -	\$ (161,787)	\$ 6,298,444	\$ 167,750
Accrued leave	4,180,449	6,079,476	(5,734,537)	4,525,388	2,740,252
<b>Long-term Obligations</b>	<b>\$ 10,640,680</b>	<b>\$ 6,079,476</b>	<b>\$ (5,896,324)</b>	<b>\$ 10,823,832</b>	<b>\$ 2,908,002</b>

In order to construct a new facility for the Fronteras Spanish Immersion Charter School, the Borough obtained a \$6,900,000 loan at an interest rate of 3.625% from the U.S. Department of Agriculture (USDA) in 2017. The terms of the agreement require the Borough to make monthly principal and interest payments in the amount of \$32,775 for a period of 28 years. The District entered into a capital lease agreement with the Borough to use the facility, and the payments made to the Borough are used to pay the USDA loan. In addition, significant debt and related repayment activities relevant to the District are recorded in the financial statements of the Matanuska-Susitna Borough.

Approximately 60% balance of accrued leave is expected to be used within one year. Accrued leave balances are typically liquidated by the General Fund.

The total cost of the assets acquired under capital lease as of June 30, 2021 was \$6,900,000. The assets are included as building in capital assets. The accumulated depreciation and depreciation expense included in depreciation totaled \$862,500 and \$172,500 respectively, for the year ended June 30, 2021.

Annual debt service requirements to maturity for the above obligations except accrued leave follow:

Year Ending June 30,	Principal	Interest	Total
2022	\$ 167,750	\$ 225,550	\$ 393,300
2023	173,933	219,367	393,300
2024	180,344	212,956	393,300
2025	186,991	206,309	393,300
2026	193,884	199,416	393,300
2027-2031	1,082,027	884,473	1,966,500
2032-2036	1,296,688	669,812	1,966,500
2037-2041	1,553,934	412,566	1,966,500
2042-2046	1,462,893	110,857	1,573,750
	<b>\$ 6,298,444</b>	<b>\$ 3,141,306</b>	<b>\$ 9,439,750</b>

# Matanuska-Susitna Borough School District

## (A Component Unit of the Matanuska-Susitna Borough)

### Notes to Basic Financial Statements

#### 5. Leases

The District has operating leases for buildings and equipment used for education program sites. Rent and lease expenditures were \$1,432,985 for the year ended June 30, 2021. The future minimum lease payments on noncancellable leases are as follows:

*Year Ending June 30,*

2022	\$ 1,968,359
2023	2,189,599
2024	1,525,309
2025	858,854
2026	870,149
	<b>\$ 7,412,270</b>

#### 6. Interfund Receivables, Payables, and Transfers

A schedule of interfund balances and transfers for the year ended June 30, 2021 follows:

##### *Due from Other Funds*

Due from the nonmajor governmental funds to the General Fund for short-term operating advances	\$ 9,487,404
Due from Internal Service Fund to the General Fund for short-term operating advances	1,480,792

<b>Total Amount Due From Other Funds</b>	<b>\$ 10,968,196</b>
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##### *Transfers*

##### **Transfers from the General Fund**

To the Nonmajor Governmental Funds for operating subsidies	\$ 4,541,568
To the Capital Project Fund for capital acquisition	7,676,584

<b>Total Transfers from the General Fund</b>	<b>12,218,152</b>
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##### **Transfer from the Capital Project Fund**

To the General Fund for operating subsidies	147,052
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##### **Transfer from the Nonmajor Enterprise Fund**

To the Nonmajor Governmental Funds for operating subsidies	217,386
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##### **Transfers from the Nonmajor Governmental Fund**

To the Capital Project Fund for capital acquisitions	1,121,942
To the Nonmajor Governmental Funds for operating subsidies	2,618,826

<b>Total Transfers from the Nonmajor Governmental Funds</b>	<b>3,740,768</b>
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<b>Total Transfers</b>	<b>\$ 16,323,358</b>
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# **Matanuska-Susitna Borough School District**

## **(A Component Unit of the Matanuska-Susitna Borough)**

### **Notes to Basic Financial Statements**

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#### **7. Transfers to the Borough**

The District transferred funds of \$6,000,000 to the Borough for the Houston Middle School construction project.

#### **8. Retirement Plans**

##### ***General Information About the Plans***

The District participates in two defined benefit pension plans. The Alaska Teachers' Retirement System (TRS) is a cost-sharing multiple employer plan which covers teachers and other eligible participants. The Alaska Public Employees' Retirement System (PERS) is a cost-sharing multiple employer plan which covers eligible State and local government employees, other than teachers. Both Plans were established and are administered by the State of Alaska Department of Administration to provide pension, postemployment healthcare, death and disability benefits. Benefit and contribution provisions are established by State law and may be amended only by the State Legislature.

Both Plans are included in annual comprehensive financial reports that includes financial statements and other required supplemental information. Those reports are available via the internet at <http://doa.alaska.gov/drj>. Actuarial valuation reports, audited financial statements, and other detailed plan information are also available on this website.

Both Plans provides for retirement, death and disability, and postemployment healthcare benefits. There are three tiers of employees, based on entry date. For all tiers within the Defined Benefit (DB) plans, full retirement benefits are generally calculated using a formula comprised of a multiplier times the average monthly salary (AMS) times the number of years of service. The multiplier is increased at longevity milestone markers for most employees. The tiers within the Plans establish differing criteria regarding normal retirement age, early retirement age, and the criteria for calculation of AMS, COLA adjustments, and other postemployment benefits (OPEB). A complete benefit comparison chart is available at the website noted above.

##### ***(a) Defined Benefit (DB) Pension Plan***

Both the PERS and TRS DB Plans were closed to new entrants effective July 1, 2006. New employees hired after that date participate in the PERS or TRS Defined Contribution (DC) Plans described later in these notes.

##### ***Historical Context and Special Funding Situation***

Historically, the TRS plan has been a cost-sharing plan, while originally, PERS was an agent-multiple-employer plan. In April 2008, the Alaska Legislature passed legislation converting the previously existing PERS plan from a DB agent-multiple employer plan to a DB cost-sharing plan with an effective date of July 1, 2008. In connection with this conversion, the State of Alaska passed additional legislation which statutorily capped the employer contribution rate for both plans, established a state funded "on-behalf" contribution (subject to funding availability), and required that employer contributions be calculated against all PERS/TRS eligible wages, including wages paid to participants of the PERS Tier IV/TRS Tier III defined contribution plans described later in these notes. The Alaska Legislature has the power and authority to change the aforementioned statute through the legislative process.

# **Matanuska-Susitna Borough School District**

## **(A Component Unit of the Matanuska-Susitna Borough)**

### **Notes to Basic Financial Statements**

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Alaska Statutes 14.25.085 and 39.35.280 require the State of Alaska to contribute to the Plan an amount such that, when combined with the employer contribution, is sufficient to pay each Plans' past service liability contribution rate as adopted by the Alaska Retirement Management Board (ARM Board). As such, both Plans are considered to be in a special funding situation as defined by GASB, and management has recorded all pension related liabilities, deferred inflows/outflows of resources, and disclosures on this basis.

The District recorded the related on-behalf contributions as revenue and expense or expenditures as prescribed by GAAP, pursuant to the relevant basis of accounting based on fund type.

#### ***Employee Contribution Rates***

District PERS employees are required to contribute 6.75% of their annual covered salary (9.60% for employees on a nine-month payment contract). Teachers and other certificated employees are required to contribute 8.65% of their annual covered salary to TRS.

#### ***Employer and Other Contribution Rates***

There are several contribution rates associated with the pension contributions and related liabilities. These amounts are calculated on an annual basis.

***Employer Effective Rate:*** This is the contractual employer pay-in rate. Under current legislation, the amount calculated for the statutory employer effective contribution rate is 22% of eligible wages for PERS and 12.56% of eligible wages for TRS, subject to a wage floor, and other termination events. These rates are calculated on all PERS/TRS participating wages, including those wages attributable to employees in the DC plan. Contributions derived from the DC employee payroll is referred to as the Defined Benefit Unfunded Liability or DBUL contribution.

***ARM Board Adopted Rate:*** This is the rate formally adopted by the Alaska Retirement Management Board. This rate is actuarially determined and used to calculate annual Plan funding requirements, without regard to the statutory rate cap or the GASB accounting rate. Effective July 1, 2015, the Legislature requires the ARM Board to adopt employer contribution rates for past service liabilities using a level percent of pay method over a closed 25 year term which ends in 2039. This change results in a lower ARM Board Rates than previously adopted.

***State Contribution Rate:*** This is the rate paid in by the State as an on-behalf payment under the current statute. The statute requires the State to contribute, based on funding availability, an on-behalf amount equal to the difference between the ARM Board Rate and the Employer Effective Rate. In the governmental fund financial statements, on-behalf contribution amounts have been recognized as additional revenues and expenditures. In the government-wide financial statements, the on-behalf amounts reflect revenue and expense only during the measurement period in which the Plan recognizes the payments, resulting in a significant timing difference between the cash transfers and revenue and expense recognition.

# Matanuska-Susitna Borough School District

## (A Component Unit of the Matanuska-Susitna Borough)

### Notes to Basic Financial Statements

Contribution rates for the year ended June 30, 2021 were determined in the June 30, 2019 actuarial valuations. The District's contribution rates for the 2021 fiscal year were as follows:

<i>PERS</i>	Employer Effective Rate	ARM Board Adopted Rate	State Contribution Rate
Pension	14.57%	26.58%	8.85%
Postemployment healthcare (ARHCT)	7.43%	4.27%	-%
<b>Total Contribution Rates</b>	<b>22.00%</b>	<b>30.85%</b>	<b>8.85%</b>

<i>TRS</i>	Employer Effective Rate	ARM Board Adopted Rate	State Contribution Rate
Pension	5.65%	27.07%	17.91%
Postemployment healthcare (ARHCT)	6.91%	3.4%	-%
<b>Total Contribution Rates</b>	<b>12.56%</b>	<b>30.47%</b>	<b>17.91%</b>

In 2021, the District was credited with the following contributions to the pension plans:

	Measurement Period July 1, 2019 to June 30, 2020	District Fiscal Year July 1, 2020 to June 30, 2021
<i>PERS</i>		
Employer contributions (including DBUL)	\$ 3,464,212	\$ 4,067,247
Nonemployer contributions (on-behalf)	2,338,553	3,022,315
<b>Total Contributions</b>	<b>\$ 5,802,765</b>	<b>\$ 7,089,562</b>

	Measurement Period July 1, 2019 to June 30, 2020	District Fiscal Year July 1, 2020 to June 30, 2021
<i>TRS</i>		
Employer contributions (including DBUL)	\$ 4,529,984	\$ 3,754,610
Nonemployer contributions (on-behalf)	17,889,178	17,841,542
<b>Total Contributions</b>	<b>\$ 22,419,162</b>	<b>\$ 21,596,152</b>

In addition, employee contributions to the Plans totaled \$714,591 for PERS and \$4,447,233 for TRS during the District's fiscal year.

# Matanuska-Susitna Borough School District

## (A Component Unit of the Matanuska-Susitna Borough)

### Notes to Basic Financial Statements

#### *Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*

At June 30, 2021, the District reported a liability for its proportionate share of the net pension liability (NPL) that reflected a reduction for State pension support provided to the District. The amount recognized by the District for its proportional share, the related State proportion, and the total portion of the net pension liability that was associated with the District were as follows:

	PERS	TRS
District's proportionate share of NPL	\$ 59,753,834	\$ 97,001,062
State's proportionate share of NPL associated with the District	24,726,498	168,325,663
<b>Total Net Pension Liability</b>	<b>\$ 84,480,332</b>	<b>\$ 265,326,725</b>

The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 to calculate the net pension liability as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, including the State, actuarially determined. At the June 30, 2020 measurement date, the District's proportion for PERS was 1.01258 percent, which was a decrease of 0.03243 percent from its proportion measured as of June 30, 2019. At the June 30, 2020 measurement date, the District's proportion for TRS was 4.77105 percent, which was a decrease of 0.37089 from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the District recognized pension expense of \$10,896,334 for PERS and \$18,093,568 for TRS. In addition, the District recognized on-behalf revenue of \$3,195,402 and \$14,951,689 for support provided by the State for PERS and TRS, respectively. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
<b>PERS</b>		
Difference between expected and actual experience	\$ 189,554	\$ -
Net difference between projected and actual earnings on pension plan investments	2,431,986	(613,641)
District contributions subsequent to the measurement date	4,067,247	-
<b>Total Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions</b>	<b>\$ 6,688,787</b>	<b>\$ (613,641)</b>

# Matanuska-Susitna Borough School District

## (A Component Unit of the Matanuska-Susitna Borough)

### Notes to Basic Financial Statements

<i>TRS</i>	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 110,484	\$ -
Net difference between projected and actual earnings on pension plan investments	6,684,183	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	(3,090,005)
District contributions subsequent to the measurement date	3,754,610	-
<b>Total Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions</b>	<b>\$ 10,549,277</b>	<b>\$ (3,090,005)</b>

The \$4,067,247 for PERS and \$3,754,610 for TRS reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<i>Year Ending June 30,</i>	<i>PERS</i>	<i>TRS</i>
2022	\$ (381,105)	\$ (2,904,273)
2023	855,259	2,361,145
2024	903,980	2,512,559
2025	629,765	1,735,231
<b>Total Amortization</b>	<b>\$ 2,007,899</b>	<b>\$ 3,704,662</b>

#### ***Actuarial Assumptions***

The total pension liability was determined by an actuarial valuation as of June 30, 2019, using the actuarial assumptions listed below, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2020:

Actuarial cost method	Entry age normal
Amortization method	Unfunded accrued actuarial liability, level percent of pay basis
Inflation	2.50% per year
Salary increases	Range from 6.75% to 2.75% based on service.
Allocation methodology	Amounts for the June 30, 2020 measurement date were allocated to employers based on the present value of contributions for fiscal years 2022 to 2039 to the Plan, as determined by projections based on the June 30, 2019 valuation. The liability is expected to go to zero at 2039.

# Matanuska-Susitna Borough School District

## (A Component Unit of the Matanuska-Susitna Borough)

### Notes to Basic Financial Statements

Investment rate of return	7.38%, net of pension plan investment expenses. This is based on an average inflation rate of 2.50% and a real rate of return of 4.88%.
Mortality	Pre-commencement and post-commencement mortality rates were based upon the 2013-2017 actual mortality experience. Pre-commencement mortality rates were based on 100% of the RP-2014 table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement. Post-commencement mortality rates were based on 91% of male and 96% of female rates of the RP-2014 health annuitant table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement (PERS); and 93% of male and 90% of female rates of the RP-2014 health annuitant table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement (TRS). Deaths are assumed to be occupational 40% of the time (PERS) and 15% of the time (TRS).

The actuarial assumptions used in the June 30, 2019 actuarial valuation (latest available) were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017. As a result of this experience study, the ARM Board adopted updated actuarial assumptions for the June 30, 2018 actuarial valuation to better reflect expected future experience. The assumptions used in the June 30, 2019 actuarial valuation are the same as those used in the June 30, 2018 valuation, except the amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid from defined benefit pension plan assets.

#### ***Long-Term Expected Rate of Return***

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return, excluding the inflation component of 2.36%, for each major asset class included in the pension plan's target asset allocation as of June 30, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Broad domestic equity	26%	6.24 %
Global equity (non-U.S.)	18%	6.67 %
Aggregate bonds	24%	(0.16)%
Opportunistic	8%	3.01 %
Real assets	13%	3.82 %
Private equity	11%	10.00 %
Cash equivalents	-%	(1.09)%

# Matanuska-Susitna Borough School District

## (A Component Unit of the Matanuska-Susitna Borough)

### Notes to Basic Financial Statements

#### ***Discount Rate***

The discount rate used to measure the total pension liability was 7.38%. This discount rate used did not change from the prior measurement date. The projection of cash flows used to determine the discount rate assumed that employer and State contributions will continue to follow the current funding policy, which meets State statutes. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

#### ***Sensitivity of the Net Pension Liability to Changes in the Discount Rate***

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.38%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	Proportional Share	1% Decrease (6.38%)	Current Discount Rate (7.38%)	1% Increase (8.38%)
<b>PERS</b>				
District's proportionate share of the net pension liability	1.01258 %	\$ 77,692,613	\$ 59,753,834	\$ 44,708,194

	Proportional Share	1% Decrease (6.38%)	Current Discount Rate (7.38%)	1% Increase (8.38%)
<b>TRS</b>				
District's proportionate share of the net pension liability	4.77105 %	\$ 136,122,808	\$ 97,001,062	\$ 64,099,715

#### ***Pension Plan Fiduciary Net Position***

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

#### ***(b) Defined Contribution (DC) Pension Plan***

Employees hired after July 1, 2006 participate in PERS Tier IV or TRS Tier III, both DC plans. These Plans are administered by the State of Alaska, Department of Administration in conjunction with the DB plans noted above. Benefit and contribution provisions are established by State law and may be amended only by the State Legislature. The Alaska Retirement Management Board may also amend contribution requirements. Included in the Plans are individual pension accounts, a retiree medical insurance plan and a separate Health Reimbursement Arrangement account that will help retired members pay medical premiums and other eligible medical expenses not covered by the medical plan. These Plans are included in the annual comprehensive financial reports for PERS and TRS, and at the following website, as noted above. <http://doa.alaska.gov/drdb>.

# **Matanuska-Susitna Borough School District**

## **(A Component Unit of the Matanuska-Susitna Borough)**

### **Notes to Basic Financial Statements**

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Contributions to the DC plans consist solely of employer and employee contributions with no special funding or other nonemployer contributions. In addition, actual remittances to the PERS system require that the District contribute at 22%. Actual remittances to the TRS system require that the District contribute at 12.56%. After deducting the DC plan contributions (and related OPEB contributions), the remaining remittance (the DBUL) is deposited into the DB plan as noted earlier.

#### ***Benefit Terms***

Employees are immediately vested in their own contributions and vest 25% with two years of service, plus an additional 25% per year thereafter for full vesting at five years of service. Nonvested employer contributions are forfeited upon termination of employment from the Plan. Such forfeitures were applied in the year ended June 30, 2021 to cover a portion of the District's employer match contributions. For the year ended June 30, 2021, forfeitures reduced pension expense by \$197,300.

#### ***Employee Contribution Rate***

Employees are required to contribute 8% of their annual covered salary for both PERS and TRS. This amount goes directly to the individual's account.

#### ***Employer Contribution Rate***

For the year ended June 30, 2021, the District was required to contribute 5% of covered salary into the Plan for PERS and 7% of covered salary for TRS.

The District and employee contributions to PERS for pensions for the year ended June 30, 2021 were \$1,246,289 and \$1,994,042, respectively. The District and employee contributions to TRS for pensions for the year ended June 30, 2021 were \$3,825,271 and \$4,371,709, respectively. The District contribution amount was recognized as pension expense/expenditures.

#### ***(c) Defined Benefit OPEB Plans***

As part of its participation in PERS and TRS, the District participates in the following cost sharing multiple employer defined benefit OPEB plans: Alaska Retiree Healthcare Trust (ARHCT), Retiree Medical Plan (RMP) and Occupational Death and Disability Plan (ODD).

The ARHCT, a healthcare trust fund, provides major medical coverage to retirees of the DB plans. The ARHCT is self-funded and self-insured. The ARHCT was closed to all new members effective July 1, 2006. Benefits vary by Tier level. The RMP provides major medical coverage to retirees of the PERS DC Plan (Tier IV) and TRS DC Plan (Tier III). The RMP is self-insured. Members are not eligible to use the Plan until they have at least 10 years of service and are Medicare age eligible. The ODD provides death benefits for beneficiaries of plan participants and long-term disability benefits to all active members within PERS and TRS. The Plans are administered by the State of Alaska, Department of Administration. The OPEB plans are included in the annual comprehensive financial reports for PERS and TRS, at the following website, as noted above. <http://doa.alaska.gov/drj>.

# Matanuska-Susitna Borough School District

## (A Component Unit of the Matanuska-Susitna Borough)

### Notes to Basic Financial Statements

#### *Employer Contribution Rate*

Employer contribution rates are actuarially determined and adopted by and may be amended by the Board. Employees do not contribute.

Employer contribution rates for the year ended June 30, 2021 were as follows:

	PERS	TRS
Alaska Retiree Healthcare Trust	-%	-%
Retiree Medical Plan	1.27%	0.93%
Occupational Death and Disability Benefits	0.31%	0.08%
<b>Total Contribution Rates</b>	<b>1.58%</b>	<b>1.01%</b>

In 2021, the District was credited with the following contributions to the OPEB plans:

	Measurement Period July 1, 2019 to June 30, 2020	District Fiscal Year July 1, 2020 to June 30, 2021
<i>PERS</i>		
Employer contributions - ARHCT	\$ 1,383,317	\$ 726,378
Employer contributions - RMP	299,159	316,565
Employer contributions - ODD	58,967	77,256
<b>Total Contributions</b>	<b>\$ 1,741,443</b>	<b>\$ 1,120,199</b>

	Measurement Period July 1, 2019 to June 30, 2020	District Fiscal Year July 1, 2020 to June 30, 2021
<i>TRS</i>		
Employer contributions - ARHCT	\$ 2,555,022	\$ 3,559,031
Employer contributions - RMP	506,768	508,308
Employer contributions - ODD	37,204	43,714
<b>Total Contributions</b>	<b>\$ 3,098,994</b>	<b>\$ 4,111,053</b>

# Matanuska-Susitna Borough School District

## (A Component Unit of the Matanuska-Susitna Borough)

### Notes to Basic Financial Statements

***OPEB Liabilities, OPEB Asset, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB Plans***

At June 30, 2021, the District reported a liability for its proportionate share of the net OPEB liabilities (NOL) and net OPEB assets (NOA) that reflected a reduction for State OPEB support provided to the District. The amount recognized by the District for its proportional share, the related State proportion, and the total were as follows:

	PERS	TRS
District's proportionate share of NOL - RMP	\$ 117,324	\$ -
<b>Total District's Proportionate Share of NOL</b>	<b>\$ 117,324</b>	<b>\$ -</b>
	PERS	TRS
District's proportionate share of NOA - ARHCT	\$ (4,583,043)	\$ (17,021,412)
District's proportionate share of NOA - RMP	-	(1,118,149)
District's proportionate share of NOA - ODD	(361,529)	(486,465)
<b>Total District's Proportionate Share of NOA</b>	<b>\$ (4,944,572)</b>	<b>\$ (18,626,026)</b>
State's proportionate share of the ARHCT NOA associated with the District	(1,901,438)	(29,666,243)
<b>Total Net OPEB Assets</b>	<b>\$ (6,846,010)</b>	<b>\$ (48,292,269)</b>

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# Matanuska-Susitna Borough School District

## (A Component Unit of the Matanuska-Susitna Borough)

### Notes to Basic Financial Statements

The total OPEB liabilities (assets) for the June 30, 2020 measurement date was determined by an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 to calculate the net OPEB liabilities (assets) as of that date. The District's proportion of the net OPEB liabilities (assets) is based on a projection of the District's long-term share of contributions to the OPEB plans relative to the projected contributions of all participating entities, actuarially determined.

	June 30, 2019 Measurement Date Employer Proportion	June 30, 2020 Measurement Date Employer Proportion	Change
<b>PERS</b>			
District's proportionate share of the net OPEB liabilities (assets):			
ARHCT	1.04499%	1.01203%	(0.03296)%
RMP	1.67486%	1.65408%	(0.02078)%
ODD	1.32983%	1.32623%	(0.00360)%

	June 30, 2019 Measurement Date Employer Proportion	June 30, 2020 Measurement Date Employer Proportion	Change
<b>TRS</b>			
District's proportionate share of the net OPEB liabilities (assets):			
ARHCT	5.13148%	4.75799%	(0.37349)%
RMP	11.27493%	11.33451%	(0.05958)%
ODD	11.26201%	11.30001%	(0.03800)%

For the year ended June 30, 2021, the District recognized OPEB expense of \$(2,906,108) for PERS and \$(21,396,916) for TRS. Of these amounts, \$(1,223,623) for PERS and \$(17,915,236) for TRS was recorded for on-behalf revenue and expense for support provided by the ARHCT plans. OPEB expense and on-behalf revenue for the year ended is listed by plan in the table below:

<b>PERS</b>	OPEB expense	On-behalf revenue
ARHCT	\$ (3,612,848)	\$ (1,223,623)
RMP	601,641	-
ODD	105,099	-
<b>Total</b>	<b>\$ (2,906,108)</b>	<b>\$ (1,223,623)</b>
<b>TRS</b>	OPEB expense	On-behalf revenue
ARHCT	\$ (22,237,029)	\$ (17,915,236)
RMP	805,980	-
ODD	34,133	-
<b>Total</b>	<b>\$ (21,396,916)</b>	<b>\$ (17,915,236)</b>

# Matanuska-Susitna Borough School District

## (A Component Unit of the Matanuska-Susitna Borough)

### Notes to Basic Financial Statements

At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB plans from the following sources:

<i>PERS</i>	ARHCT	RMP	ODD	Total
Deferred Outflows of Resources:				
Difference between expected and actual experience	\$ -	\$ 610	\$ -	\$ 610
Changes in assumptions	-	164,769	-	164,769
Difference between projected and actual investment earnings	1,838,839	52,534	12,400	1,903,773
Changes in proportion and differences between District contributions and proportionate share of contributions	98,081	4,332	37,218	139,631
District contributions subsequent to the measurement date	726,378	316,565	77,256	1,120,199
<b>Total Deferred Outflows of Resources Related to OPEB Plans</b>	<b>\$ 2,663,298</b>	<b>\$ 538,810</b>	<b>\$ 126,874</b>	<b>\$ 3,328,982</b>

<i>PERS</i>	ARHCT	RMP	ODD	Total
Deferred Inflows of Resources:				
Difference between expected and actual experience	\$ (367,665)	\$ (25,213)	\$ (121,301)	\$ (514,179)
Changes in assumptions	(3,194,651)	(303,312)	(5,295)	(3,503,258)
Changes in proportion and differences between District contributions and proportionate share of contributions	-	(6,722)	(10,291)	(17,013)
<b>Total Deferred Inflows of Resources Related to OPEB Plans</b>	<b>\$(3,562,316)</b>	<b>\$(335,247)</b>	<b>\$ (136,887)</b>	<b>\$ (4,034,450)</b>

Amounts reported as deferred outflows of resources related to OPEB plans resulting from District contributions subsequent to the measurement date will be recognized as a reduction in the net OPEB liabilities (asset) in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<i>PERS</i>	ARHCT	RMP	ODD	Total
Year Ending June 30,				
2022	\$ (3,479,021)	\$ (13,189)	\$ (14,796)	\$ (3,507,006)
2023	654,523	(2,708)	(11,857)	639,958
2024	702,779	(2,894)	(11,796)	688,089
2025	496,323	(6,903)	(12,780)	476,640
2026	-	(19,557)	(15,907)	(35,464)
Thereafter	-	(67,751)	(20,133)	(87,884)
<b>Total Amortization</b>	<b>\$ (1,625,396)</b>	<b>\$ (113,002)</b>	<b>\$ (87,269)</b>	<b>\$ (1,825,667)</b>

# Matanuska-Susitna Borough School District

## (A Component Unit of the Matanuska-Susitna Borough)

### Notes to Basic Financial Statements

At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB plans from the following sources:

TRS	ARHCT	RMP	ODD	Total
Deferred Outflows of Resources:				
Difference between expected and actual experience	\$ -	\$ 237,672	\$ -	\$ 237,672
Changes in assumptions	-	174,738	-	174,738
Difference between projected and actual investment earnings	3,290,005	128,896	12,046	3,430,947
Changes in proportion and differences between District contributions and proportionate share of contributions	783,395	1,701	1,414	786,510
District contributions subsequent to the measurement date	3,578,031	508,308	43,714	4,111,053
<b>Total Deferred Outflows of Resources Related to OPEB Plans</b>	<b>\$ 7,652,431</b>	<b>\$ 1,051,315</b>	<b>\$ 57,174</b>	<b>\$ 8,740,920</b>

TRS	ARHCT	RMP	ODD	Total
Deferred Inflows of Resources:				
Difference between expected and actual experience	\$ (456,448)	\$ (84,635)	\$ (54,248)	\$ (595,331)
Changes in assumptions	(5,354,787)	(969,414)	(441)	(6,324,642)
Changes in proportion and differences between District contributions and proportionate share of contributions	-	(18,936)	(17,184)	(36,120)
<b>Total Deferred Inflows of Resources Related to OPEB Plans</b>	<b>\$ (5,811,235)</b>	<b>\$ (1,072,985)</b>	<b>\$ (71,873)</b>	<b>\$ (6,956,093)</b>

Amounts reported as collective deferred outflows of resources related to OPEB plans resulting from District contributions subsequent to the measurement date will be recognized as a reduction in the net OPEB liabilities (asset) in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

TRS	ARHCT	RMP	ODD	Total
Year Ending June 30,				
2022	\$ (5,035,975)	\$ (67,980)	\$ (9,243)	\$ (5,113,198)
2023	1,167,658	(40,868)	(5,740)	1,121,050
2024	1,249,067	(41,253)	(5,559)	1,202,255
2025	881,415	(51,681)	(6,644)	823,090
2026	-	(82,669)	(9,808)	(92,477)
Thereafter	-	(245,527)	(21,419)	(266,946)
<b>Total Amortization</b>	<b>\$ (1,737,835)</b>	<b>\$ (529,978)</b>	<b>\$ (58,413)</b>	<b>\$ (2,326,226)</b>

# Matanuska-Susitna Borough School District

## (A Component Unit of the Matanuska-Susitna Borough)

### Notes to Basic Financial Statements

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#### *Actuarial Assumptions*

The total OPEB liability for each plan for the measurement period ended June 30, 2020 was determined by actuarial valuations as of June 30, 2019, using the following actuarial assumptions, applied to all periods included in the measurement, and rolled forward to the measurement date of June 30, 2020:

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Actuarial cost method	Entry age normal
Amortization method	Unfunded accrued actuarial liability, level percent of pay basis
Inflation	2.50% per year
Salary increases	Graded by service, from 6.75% to 2.75%.
Allocation methodology	Amounts for the June 30, 2020 measurement date were allocated to employers based on the present value of contributions for fiscal years 2022 to 2039 to the Plan, as determined by projections based on the June 30, 2019 valuation. The liability is expected to go to zero at 2039.
Investment rate of return	7.38%, net of pension plan investment expenses. This is based on an average inflation rate of 2.50% and a real rate of return of 4.88%.
Mortality	Pre-commencement and post-commencement mortality rates were based upon the 2013-2017 actual mortality experience. Pre-commencement mortality rates were based on 100% of the RP-2014 table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement. Post-commencement mortality rates were based on 91% of male and 96% of female rates of the RP-2014 health annuitant table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement (PERS); and 93% of male and 90% of female rates of the RP-2014 health annuitant table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement (TRS). Deaths are assumed to be occupational 40% of the time (PERS) and 15% of the time (TRS).
Participation (ARHCT)	100% system paid of members and their spouses are assumed to elect the healthcare benefits paid as soon as they are eligible. 20% of nonsystem paid members and their spouses are assumed to elect the healthcare benefits as soon as they are eligible.

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# Matanuska-Susitna Borough School District

## (A Component Unit of the Matanuska-Susitna Borough)

### Notes to Basic Financial Statements

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The actuarial assumptions used in the June 30, 2019 actuarial valuation were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017. As a result of this experience study, the ARM Board adopted updated actuarial assumptions for the June 30, 2018 actuarial valuation to better reflect expected future experience. The assumptions used in the June 30, 2019 actuarial valuation are the same as those used in the June 30, 2018 valuation with the following exceptions:

1. Per capita claims costs were updated to reflect recent experience.
2. Retired member contribution trend rates were updated to reflect the ongoing shift in population from pre-Medicare to Medicare-eligible and a projection of expected future retiree contributions reflecting the 10% decrease from 2019 to 2020.
3. The Further Consolidated Appropriations Act, 2020 that was signed in December 2019 made several changes, including the repeal of the Cadillac Tax.
4. The amounts included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid for postretirement healthcare plan assets.

#### ***Long-Term Expected Rate of Return***

The long-term expected rate of return on OPEB plan investments for each plan was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of postretirement healthcare plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The best estimates of arithmetic rates of return, excluding the inflation component of 2.36% for each major asset class included in the OPEB plan's target asset allocation as of June 30, 2020 are summarized in the following table:

<i>Asset Class</i>	<i>Target Allocation</i>	<i>Long-Term Expected Real Rate of Return</i>
Broad domestic equity	26%	6.24 %
Global equity (non-U.S.)	18%	6.67 %
Aggregate bonds	24%	(0.16)%
Opportunistic	8%	3.01 %
Real assets	13%	3.82 %
Private equity	11%	10.00 %
Cash equivalents	-%	(1.09)%

#### ***Discount Rate***

The discount rate used to measure the total OPEB liability for each plan as of June 30, 2020 was 7.38%. This discount rate used did not change from the prior measurement date. The projection of cash flows used to determine the discount rate assumed that employer and State contributions will continue to follow the current funding policy which meets State statutes. Based on those assumptions, the fiduciary net position of each plan was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability for each plan.

# Matanuska-Susitna Borough School District

## (A Component Unit of the Matanuska-Susitna Borough)

### Notes to Basic Financial Statements

#### *Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate*

The following presents the District's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 7.38%, as well as what the District's proportionate share of the respective plan's net OPEB liability (asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

<i>PERS</i>	Proportional Share	1% Decrease (6.38%)	Current Discount Rate (7.38%)	1% Increase (8.38%)
District's proportionate share of the net OPEB liability (asset):				
ARHCT	1.01203%	\$ 4,782,311	\$ (4,583,043)	\$ (12,340,328)
RMP	1.65408%	\$ 726,837	\$ 117,324	\$ (344,049)
ODD	1.32623%	\$ (339,726)	\$ (361,529)	\$ (378,956)

<i>TRS</i>	Proportional Share	1% Decrease (6.38%)	Current Discount Rate (7.38%)	1% Increase (8.38%)
District's proportionate share of the net OPEB liability (asset):				
ARHCT	4.75799%	\$ (938,370)	\$ (17,021,412)	\$ (30,286,347)
RMP	11.33451%	\$ 60,300	\$ (1,118,149)	\$ (1,999,407)
ODD	11.30001%	\$ (487,256)	\$ (486,465)	\$ (486,239)

#### *Sensitivity of the Net OPEB Liability (Asset) to Changes in the Healthcare Cost Trend Rates*

The following presents the District's proportionate share of the net OPEB liability (asset) calculated using the healthcare cost trend rates as summarized in the 2018 actuarial valuation reports as well as what the District's proportionate share of the respective plan's net OPEB liability (asset) would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

<i>PERS</i>	Proportional Share	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
District's proportionate share of the net OPEB liability (asset):				
ARHCT	1.01203%	\$ (13,249,857)	\$ (4,583,043)	\$ 5,911,966
RMP	1.65408%	\$ (411,668)	\$ 117,324	\$ 836,867
ODD	1.32623%	\$ n/a	\$ n/a	\$ n/a

# Matanuska-Susitna Borough School District

## (A Component Unit of the Matanuska-Susitna Borough)

### Notes to Basic Financial Statements

TRIS	Proportional Share	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
District's proportionate share of the net OPEB liability (asset):				
ARHCT	4.75799%	\$ (31,762,560)	\$ (17,021,412)	\$ 908,823
RMP	11.33451%	\$ (2,121,140)	\$ (1,118,149)	\$ 261,940
ODD	11.30001%	\$ n/a	\$ n/a	\$ n/a

#### ***OPEB Plan Fiduciary Net Position***

Detailed information about each OPEB plan's fiduciary net position is available in the separately issued PERS and TRS financial reports.

#### ***(d) Defined Contribution OPEB Plans***

PERS and TRS DC Pension Plan participants (PERS Tier IV and TRS Tier III) also participate in the Health Reimbursement Arrangement Plan (HRA Plan). The HRA Plan allows for medical care expense to be reimbursed from individual savings accounts established for eligible persons. The HRA Plan became effective July 1, 2006 at which time contributions by employers began.

#### ***Contribution Rate***

AS 39.30.370 establishes this contribution amount as "three percent of the average annual employee compensation of *all employees of all employers* in the plan". As of July 1, 2020, for actual remittance, this amount is calculated as a flat rate for each full-time or part-time employee per pay period and approximates \$2,159 per year for each full-time employee, and \$1.38 per hour for part-time employees.

#### ***Annual Postemployment Healthcare Cost***

In fiscal year 2021, the District contributed \$1,205,063 in DC OPEB costs to PERS and \$1,644,046 in DC OPEB costs to TRS. These amounts have been recognized as expense/expenditures.

### **9. Risk Management**

The District faces a considerable number of risks of loss, including (a) damage to and loss of property and contents, (b) employee torts, (c) professional liability; i.e., errors and omissions, (d) environmental damage, (e) workers' compensation, and (f) medical insurance costs of employees.

Commercial policies, transferring the risk of loss, except for relatively small deductible amounts, are purchased for employee medical cost, bodily injury, personal injury, and property damage, and errors and omissions. For these policies, premiums have increased over the last few years, however settlements have not exceeded coverage amounts.

# Matanuska-Susitna Borough School District

(A Component Unit of the Matanuska-Susitna Borough)

## Notes to Basic Financial Statements

### *Accounting for Self-Insurance*

For the year ended June 30, 2021, the District was self-insured for its workers' compensation insurance program. All claims reported under the self-insurance program are paid by the District. Commercial stop-loss coverage limits the liability to \$500,000 per individual claim. The District accrues an estimate of claims incurred but not reported at year end.

Following is a schedule of changes in claims liabilities for the two years ended June 30, 2021 and 2020 for the workers' compensation plan.

	Workers' Compensation Insurance
<b>Claims Liability at June 30, 2019</b>	<b>\$ 1,368,155</b>
Claims and administration expenses	1,936,001
Claims and administration expenses paid	(2,441,614)
<b>Claims Liability at June 30, 2020</b>	<b>\$ 862,542</b>
Claims and administration expenses	1,375,246
Claims and administration expenses paid	(1,468,288)
<b>Claims Liability at June 30, 2021</b>	<b>\$ 769,500</b>

### **10. Contingencies**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by the grantor agencies, principally the Federal and State governments. Any disallowed claims, including amounts already collected, would become a liability of the School Operating Fund.

The District receives a substantial portion of its revenue from state and local grants and the Matanuska-Susitna Borough. Significant changes in these revenue sources could have a material effect on the operations of the District.

The District provides services solely to those residents of the Matanuska-Susitna Borough, Alaska and near-by communities as within the State defined District boundaries. Changes in the local environment or economy could directly affect the District's enrollment. Significant changes in enrollment could have a material effect on the District's funding and operations.

From time to time, the District may be a participant in legal proceedings related to the conduct of its business. In the normal course of business, it also has various commitments and contingent liabilities, which are not reflected in the accompanying financial statements. In the opinion of the management, any current legal proceedings, commitments or contingent liabilities will not materially affect the financial position of the District.

A District employee is alleged to have sexually assaulted and/or engaged in inappropriate conduct including alleged inappropriate touching and/or sexual contact with several students. The District became aware of the allegations that led to the arrest of the employee in late September 2019. The employee has been criminally charged and the criminal matter is pending. The employee has been terminated by the District. Six (6) civil claims have been filed against the District at this time and the District has recorded a \$250,000 liability related to this incident.

# Matanuska-Susitna Borough School District

## (A Component Unit of the Matanuska-Susitna Borough)

### Notes to Basic Financial Statements

#### 11. Fund Balances/Appropriation Lapse

Fund balances, reported in the District's individual major funds and nonmajor funds in the aggregate on the governmental funds balance sheet are subject to the following constraints at June 30, 2021:

	Major Funds		Nonmajor	
	General	Capital Project Fund	Funds	Totals
<b>Nonspendable:</b>				
Inventory	\$ 1,547,606	\$ -	\$ 1,407,085	\$ 2,954,691
Prepaid items	4,899,613	-	1,999	4,901,612
<b>Total nonspendable</b>	<b>6,447,219</b>	<b>-</b>	<b>1,409,084</b>	<b>7,856,303</b>
<b>Restricted -</b>				
correspondence program	3,162,995	-	-	3,162,995
<b>Committed:</b>				
Student life skills	-	-	27,536	27,536
Nutritional Alaskan foods for schools	-	-	188,307	188,307
Trapper Creek community enrichment	-	-	6,100	6,100
Talkeetna community enrichment	-	-	2,012	2,012
Cultural programs	-	-	9,050	9,050
Student activities	-	-	2,733,548	2,733,548
River Rangers	-	-	6,091	6,091
Mat-Su construction trades	-	-	203,856	203,856
Willow community enrichment	-	-	93	93
Mat-Su Health Foundation	-	-	12,135	12,135
Construction	-	1,354,116	-	1,354,116
Renewal and replacement	-	-	922,541	922,541
Debt service	-	-	786,901	786,901
<b>Total committed</b>	<b>-</b>	<b>1,354,116</b>	<b>4,898,170</b>	<b>6,252,286</b>
<b>Assigned:</b>				
Insurance reserve	500,000	-	-	500,000
Food service	-	-	809,656	809,656
Student transportation	-	-	534,792	534,792
Contributions from local sources	-	-	22,372	22,372
Other	-	-	1,676	1,676
<b>Total assigned</b>	<b>500,000</b>	<b>-</b>	<b>1,368,496</b>	<b>1,868,496</b>
<b>Unassigned</b>	<b>10,631,049</b>	<b>-</b>	<b>-</b>	<b>10,631,049</b>
<b>Total Fund Balances</b>	<b>\$ 20,741,263</b>	<b>\$ 1,354,116</b>	<b>\$ 7,675,750</b>	<b>\$ 29,771,129</b>

# Matanuska-Susitna Borough School District

## (A Component Unit of the Matanuska-Susitna Borough)

### Notes to Basic Financial Statements

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#### 12. New Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) has issued several new accounting standards with upcoming implementation dates (effective dates are adjusted for the issuance of GASB Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance).

*GASB Statement No. 84 - Fiduciary Activities* - Effective for year-end June 30, 2021. This Statement addresses criteria for identifying and reporting fiduciary activities. The District will now treat Student Activities as a Special Revenue Fund. See Note 14 for a detailed explanation of the impacts of this standard on the District's financial statements.

*GASB Statement No. 98 - The Annual Comprehensive Financial Report* - Effective for year-end June 30, 2022. Earlier application is encouraged. This Statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. The District has adopted the new terminology.

The Governmental Accounting Standards Board has issued several new accounting standards with upcoming implementation dates (effective dates adjusted for the issuance of GASB 95). Management has not fully evaluated the potential effects of these statements, and actual impacts have not yet been determined. The statements are as follows:

*GASB Statement No. 87 - Leases* - Effective for year-end June 30, 2022, This Statement addresses accounting and financial reporting for certain lease assets and liabilities for leases that previously were classified as operating leases. This Statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset.

*GASB Statement No. 89 - Accounting for Interest Cost Incurred before the End of a Construction Period* - Effective for year-end June 30, 2022. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus.

*GASB Statement No. 91 - Conduit Debt Obligations* - Effective for year-end June 30, 2023. This Statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with commitments extended by issuers, arrangements associated with conduit obligations, and related note disclosures. This Statement clarifies the definition of a conduit debt obligation and establishes standards for related accounting and financial reporting.

*GASB Statement No. 92 - Omnibus 2020* - Provisions of this Statement related to the effective date of Statement No. 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance. The effective date for all other provisions of the Statement are to be implemented for year-end June 30, 2022. This Statement addresses a variety of topics such as leases, the applicability of Statement No. 73 and Statement No. 74 for reporting assets accumulated for postemployment benefits, the applicability of Statement No. 84 to postemployment benefit arrangements, the measurements of liabilities and assets related to asset retirement obligations in a government acquisition, reporting of public entity risk pools, referencing to nonrecurring fair value measurements, and terminology used to refer to derivative instruments.

# Matanuska-Susitna Borough School District

## (A Component Unit of the Matanuska-Susitna Borough)

### Notes to Basic Financial Statements

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*GASB Statement No. 93 - Replacement of Interbank Offered Rates* - The provisions of this Statement, except for paragraph 11b, 13 and 14, are required to be implemented for year-end June 30, 2021. The requirements in paragraph 11b, 13 and 14 are required to be implemented for year-end June 30, 2022. This Statement addresses accounting and financial reporting implications that result from the replacement of an interbank offered rate (IBOR).

*GASB Statement No. 94 - Public-Private and Public-Public Partnerships and Availability Payment Arrangements* - Effective for year-end June 30, 2023. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs) and also provides guidance for accounting and financial reporting for availability payment arrangements (APA).

*GASB Statement No. 96 - Subscription-Based Information Technology Arrangements* - Effective for year-end June 30, 2023. This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. This statement, among other things, defines a SBITA, establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability, provides capitalization criteria for outlays other than subscription payments, and requires note disclosures regarding a SBITA.

*GASB Statement No. 97 - Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans* - Effective for year-end June 30, 2022, except the portion of the pronouncement related to component unit criteria, which is effective for year-end June 30, 2020. This statement modifies certain guidance contained in Statement No. 84 and enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

## 13. Risks and Uncertainties

### COVID-19 - CARES Act

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the “COVID-19 outbreak”) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the District’s financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the District is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2022. The District is dependent upon its workforce to deliver its services. Developments such as social distancing and shelter-in-place directives will impact the District’s ability to deploy its workforce effectively. While expected to be temporary, prolonged workforce disruptions may negatively impact the District’s services. Furthermore, adverse economic effects of the COVID-19 outbreak may affect the district’s federal, state, and borough contributions.

# Matanuska-Susitna Borough School District

## (A Component Unit of the Matanuska-Susitna Borough)

### Notes to Basic Financial Statements

Although the District cannot estimate the length or gravity of the impact of the COVID-19 outbreak at this time, if the pandemic continues, it may have an adverse effect on the District's results of future operations, financial position, and liquidity in fiscal year 2022.

As of June 30, 2021, \$19,637,754 under the Elementary and Secondary School Emergency Relief Fund I and Fund II have been awarded to the School District. However, not all awarded balances have been received. The School District has spent \$5,695,711 of these monies in fiscal year 2021, the remaining unspent monies to be expended in fiscal year 2022. Furthermore, through the CARES Act, \$157,742 was awarded and expended from the Coronavirus Relief Fund and \$103,950 was awarded and \$82,307 was expended from the Epidemiology and Laboratory Capacity for Infectious Disease Contract Tracing in fiscal year 2021. These CARES Act awards were all passed through from the State of Alaska Department of Education and Early Development. The School District will continue to examine the impact that the CARES Act may have. Currently, the School District is unable to determine the full impact that the CARES Act will have on the District's financial condition, results of operations or liquidity. The District has not received additional awards of CARES Act monies subsequent to year end. We continue to examine the impact that the CARES Act may have on our operations. Currently, we are unable to determine the impact that the CARES Act will have on our financial condition, results of operation or liquidity.

#### 14. Change in Accounting Principle

In 2021, the District adopted the provisions of *GASB Statement No. 84* Fiduciary Activities, which, among other accounting and reporting criteria, requires the District to address criteria for identifying and reporting fiduciary activities, as of the beginning of the District's fiscal year. The District has determined the Student Activities Agency Fund reported in 2020 will now be reported as the Student Activities Special Revenue Fund. As a result of the implementation of this statement, the District has recorded an opening balance adjustment to reflect opening governmental funds fund balance and net position as follows:

	Opening Net Position, as Originally Presented	Change in Accounting Principal Adjustment	Opening Net Position, as Restated
<b>Governmental Activities</b>	\$ (95,934,788)	\$ 2,940,835	\$ (92,993,953)
	Opening Fund Balance, as Originally Presented	Change in Accounting Principal Adjustment	Opening Fund Balance, as Restated
<b>Governmental Funds</b>	\$ 34,338,652	\$ 2,940,835	\$ 37,279,487

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## Required Supplementary Information

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**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**General (School Operating) Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget and Actual**

Year Ended June 30, 2021	Budget		Actual	Variance with
	Original	Final		Final Budget
Revenues				
Local sources:				
Borough appropriation	\$ 62,310,148	\$ 62,310,148	\$ 62,310,148	\$ -
Other	590,000	1,756,510	1,015,490	(741,020)
State of Alaska	190,835,051	193,911,503	194,512,982	601,479
Federal	1,161,547	1,991,968	2,131,704	139,736
Total Revenues	254,896,746	259,970,129	259,970,324	195
Expenditures				
Current:				
Instruction	106,841,442	116,081,923	111,385,024	4,696,899
Special education instruction	42,613,454	43,171,229	42,572,756	598,473
Special education support services - students	16,638,374	17,756,843	17,473,661	283,182
Support services - students	9,893,422	10,425,148	10,609,671	(184,523)
Support services - instruction	9,561,286	10,801,468	8,937,886	1,863,582
School administration	10,562,385	11,090,489	11,055,847	34,642
School administration support services	10,639,806	10,900,288	10,359,783	540,505
District administration	1,278,731	1,186,690	1,349,835	(163,145)
District administration support services	12,746,114	15,273,352	13,888,552	1,384,800
Operations and maintenance of plant	28,426,497	26,731,908	24,476,473	2,255,435
Student activities	3,690,802	3,937,959	3,571,305	366,654
Community services	-	145	142	3
Student transportation - to and from school	-	-	(75)	75
Food services	-	-	(862)	862
Total Expenditures	252,892,313	267,357,442	255,679,998	11,677,444
Excess (Deficiency) of revenues over expenditures	2,004,433	(7,387,313)	4,290,326	11,677,639
Other Financing Sources (Uses)				
Transfers in	-	352,948	147,052	(205,896)
Transfers out	(2,004,433)	(13,444,283)	(12,218,152)	1,226,131
Net Other Financing Sources (Uses)	(2,004,433)	(13,091,335)	(12,071,100)	1,020,235
Net Change in Fund Balances	\$ -	\$ (20,478,648)	(7,780,774)	\$ 12,697,874
Fund Balance, beginning of year			28,522,037	
Fund Balance, end of year			\$ 20,741,263	

See accompanying notes to Required Supplementary Information.

**Matanuska Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Teachers' Retirement System - Pension Plan**

**Schedule of the District's Proportionate Share of the Net Pension Liability**

<i>Years Ended June 30,</i>	2021	2020	2019	2018	2017	2016	2015
District's Proportion of the Net Pension Liability	4.77105%	5.14194%	5.17090%	4.69305%	5.74558%	4.74949%	1.86717%
District's Proportionate Share of the Net Pension Liability	\$ 97,001,062	\$ 96,079,327	\$ 98,987,466	\$ 95,109,945	\$ 131,191,382	\$ 88,361,932	\$ 55,997,692
State of Alaska Proportionate Share of the Net Pension Liability	168,325,663	142,489,557	147,157,295	165,981,415	155,927,205	141,230,415	295,698,194
Total Net Pension Liability	\$ 265,326,725	\$ 238,568,884	\$ 246,144,761	\$ 261,091,360	\$ 287,118,587	\$ 229,592,347	\$ 351,695,886
District's Covered Payroll	100,739,471	100,787,471	98,511,549	101,197,628	95,217,509	92,055,028	88,788,045
District's Proportionate Share of the Net Pension Liability as a Percentage of Payroll	96.29%	95.33%	100.48%	93.98%	137.78%	95.99%	63.07%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.81%	74.68%	74.09%	72.39%	68.40%	73.82%	55.70%

**Schedule of District Contributions**

<i>Years Ended June 30,</i>	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contributions	\$ 3,754,610	\$ 4,529,984	\$ 5,076,868	\$ 5,272,973	\$ 4,891,948	\$ 4,448,917	\$ 4,729,021
Contributions Relative to the Contractually Required Contribution	3,754,610	4,529,984	5,076,868	5,272,973	4,891,948	4,448,917	4,729,021
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	109,227,037	100,739,471	100,787,471	98,511,549	101,197,628	95,217,509	92,055,028
Contributions as a Percentage of Covered Payroll	3.44%	4.50%	5.04%	5.35%	4.83%	4.67%	5.14%

*See accompanying notes to Required Supplementary Information.*

**Matanuska Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Public Employees' Retirement System - Pension Plan**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**

<i>Years Ended June 30,</i>	2021	2020	2019	2018	2017	2016	2015
District's Proportion of the Net Pension Liability	1.01258%	1.04501%	1.54550%	1.09670%	1.26360%	1.28350%	0.67820%
District's Proportionate Share of the Net Pension Liability	\$ 59,753,834	\$ 57,206,105	\$ 57,370,051	\$ 56,692,527	\$ 70,627,690	\$ 62,250,192	\$ 31,632,130
State of Alaska Proportionate Share of the Net Pension Liability	24,726,498	22,718,504	16,619,476	21,123,351	8,900,517	16,671,606	28,809,640
Total Net Pension Liability	\$ 84,480,332	\$ 79,924,609	\$ 73,989,527	\$ 77,815,878	\$ 79,528,207	\$ 78,921,798	\$ 60,441,770
District's Covered Payroll	38,338,301	36,736,470	35,206,733	37,767,975	32,540,635	30,298,959	28,697,672
District's Proportionate Share of the Net Pension Liability as a Percentage of Payroll	155.86%	155.72%	162.95%	150.11%	217.04%	205.45%	110.23%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	61.61%	63.42%	65.19%	63.37%	59.55%	63.96%	63.37%

**Schedule of District Contributions**

<i>Years Ended June 30,</i>	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contributions	\$ 4,067,247	\$ 3,464,212	\$ 3,714,194	\$ 3,832,125	\$ 3,549,967	\$ 3,169,854	\$ 2,902,874
Contributions Relative to the Contractually Required Contribution	4,067,247	3,464,212	3,714,194	3,832,125	3,549,967	3,169,854	2,902,874
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	38,238,576	38,338,301	36,736,470	35,206,733	37,767,975	32,540,635	30,298,959
Contributions as a Percentage of Covered Payroll	10.64%	9.04%	10.11%	10.88%	9.40%	9.74%	9.58%

*See accompanying notes to Required Supplementary Information.*

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Teachers' Retirement System - OPEB Plans**  
**Schedule of the District's Proportionate Share of the Net OPEB Liability (Asset)**

Years Ended June 30,	ARHCT				RMP				ODD			
	2021	2020	2019	2018	2021	2020	2019	2018	2021	2020	2019	2018
District's Proportion of the Net OPEB Liability (Asset)	4.75799%	5.13148%	5.15915%	4.67820%	11.33451%	11.27493%	10.96155%	11.26201%	11.30001%	11.26201%	10.96155%	11.02554%
District's Proportionate Share of the Net OPEB Liability (Asset)	\$ (17,021,412)	\$ (7,841,984)	\$ 16,041,813	\$ 8,604,759	\$ (1,118,149)	\$ (432,506)	\$ (350,550)	\$ (522,610)	\$ (486,465)	\$ (452,845)	\$ (384,312)	\$ (360,315)
State of Alaska Proportionate Share of the Net OPEB Liability (Asset)	(29,666,243)	(11,669,016)	-	15,091,607	-	-	-	-	-	-	-	-
Total Net OPEB Liability (Asset)	\$ (46,687,655)	\$ (19,511,000)	\$ 16,041,813	\$ 23,696,366	\$ (1,118,149)	\$ (432,506)	\$ (350,550)	\$ (522,610)	\$ (486,465)	\$ (452,845)	\$ (384,312)	\$ (360,315)
District's Covered Payroll	51,556,792	54,821,446	57,071,084	101,197,628	46,506,279	44,005,500	39,473,069	101,197,628	46,506,279	44,005,500	39,473,069	101,197,628
District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Payroll	-33.01%	-14.30%	28.11%	8.50%	-2.40%	-0.98%	-0.89%	-0.52%	-1.05%	-1.03%	-0.97%	-0.36%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	113.78%	105.50%	90.23%	93.75%	125.59%	110.03%	109.56%	118.16%	931.08%	1409.77%	1304.81%	1342.59%

**Schedule of District Contributions**

Years Ended June 30,	ARHCT				RMP				ODD			
	2021	2020	2019	2018	2021	2020	2019	2018	2021	2020	2019	2018
Contractually Required Contributions	\$ 3,578,031	\$ 2,555,022	\$ 2,509,478	\$ 2,563,074	\$ 508,308	\$ 506,768	\$ 347,826	\$ 358,541	\$ 43,714	\$ 37,204	\$ 35,154	\$ -
Contributions Relative to the Contractually Required Contribution	3,578,031	2,555,022	2,509,478	2,563,074	508,308	506,768	347,826	358,541	43,714	37,204	35,154	-
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	51,333,037	51,556,792	54,821,446	57,071,084	54,622,769	46,506,279	44,005,500	39,473,069	54,622,769	46,506,279	44,005,500	39,473,069
Contributions as a Percentage of Covered Payroll	6.933%	4.956%	4.578%	4.491%	0.931%	1.090%	0.790%	0.908%	0.080%	0.080%	0.080%	0.000%

See accompanying notes to Required Supplementary Information.

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Public Employees' Retirement System - OPEB Plans**  
**Schedule of the District's Proportionate Share of the Net OPEB Liability (Asset)**

Years Ended June 30,	ARHCT				RMP				ODD			
	2021	2020	2019	2018	2021	2020	2019	2018	2021	2020	2019	2018
District's Proportion of the Net OPEB Liability (Asset)	1.01203%	1.04499%	1.15442%	1.09671%	1.65408%	1.67486%	1.68413%	1.74759%	1.32623%	1.32983%	1.68413%	1.74576%
District's Proportionate Share of the Net OPEB Liability (Asset)	\$ (4,583,043)	\$ 1,550,562	\$ 11,847,667	\$ 9,264,516	\$ 117,324	\$ 400,693	\$ 214,306	\$ 91,137	\$ (361,529)	\$ (322,418)	\$ (327,092)	\$ (247,965)
State of Alaska Proportionate Share of the Net OPEB Liability (Asset)	(1,901,438)	616,486	3,439,441	3,454,993	-	-	-	-	-	-	-	-
Total Net OPEB Liability (Asset)	\$ (6,484,481)	\$ 2,167,048	\$ 15,287,108	\$ 12,719,509	\$ 117,324	\$ 400,693	\$ 214,306	\$ 91,137	\$ (361,529)	\$ (322,418)	\$ (327,092)	\$ (247,965)
District's Covered Payroll	11,072,260	12,208,778	12,835,293	35,206,733	22,655,510	20,895,087	19,115,128	35,206,733	22,655,510	20,895,087	19,115,128	35,206,733
District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Payroll	-41.39%	12.70%	92.31%	26.31%	0.52%	1.92%	1.12%	0.26%	-1.60%	-1.54%	-1.71%	-0.70%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	106.15%	98.13%	88.12%	89.68%	95.23%	83.17%	88.71%	93.98%	283.80%	297.43%	270.62%	212.97%

**Schedule of District Contributions**

Years Ended June 30,	ARHCT				RMP				ODD			
	2021	2020	2019	2018	2021	2020	2019	2018	2021	2020	2019	2018
Contractually Required Contributions	\$ 726,378	\$ 1,383,317	\$ 1,350,296	\$ 1,088,076	\$ 316,565	\$ 299,159	\$ 196,550	\$ 196,328	\$ 77,256	\$ 58,967	\$ 54,296	\$ 30,494
Contributions Relative to the Contractually Required Contribution	726,378	1,383,317	1,350,296	1,088,076	316,565	299,159	196,550	196,328	77,256	58,967	54,296	30,494
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	9,768,206	11,072,260	12,208,778	12,835,293	24,906,802	22,655,510	20,895,087	19,115,128	24,906,802	22,655,510	20,895,087	19,115,128
Contributions as a Percentage of Covered Payroll	7.436%	12.494%	11.060%	8.477%	1.271%	1.320%	0.941%	1.027%	0.310%	0.260%	0.260%	0.160%

*See accompanying notes to Required Supplementary Information.*

# Matanuska-Susitna Borough School District

## (A Component Unit of the Matanuska-Susitna Borough)

### Notes to Required Supplementary Information

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#### 1. Budgetary Comparison Schedule

The budgetary comparison schedule is presented on the modified accrual basis of accounting.

#### 2. Public Employees' Retirement System and Teachers' Retirement System - Pension Plan

##### *Schedule of the District's Proportionate Share of the Net Pension Liability*

These tables are presented based on the Plan measurement date. For June 30, 2021, the Plan measurement date is June 30, 2020.

##### *Changes in Assumptions:*

The actuarial assumptions used in the June 30, 2019 actuarial valuation (latest available) were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017. As a result of this experience study, the ARM Board adopted updated actuarial assumptions for the June 30, 2018 actuarial valuation to better reflect expected future experience. The assumptions used in the June 30, 2019 actuarial valuation are the same as those used in the June 30, 2018 valuation, except the amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid from defined benefit pension plan assets.

In 2020, the discount rate was lowered from 8% to 7.38%.

Amounts reported reflect a change in assumptions between 2016 and 2017 in the method of allocating the net pension liability from actual contributions to present value of projected future contributions.

GASB requires ten years of information be presented. However, until a full ten years of information is available, the District will present only those years for which information is available.

##### *Schedule of District Contributions*

These tables are based on the District's contributions for each fiscal year presented. These contributions have been reported as a deferred outflow of resources on the Statement of Net Position.

GASB requires ten years of information be presented. However, until a full ten years of information is available, the District will present only those years for which information is available.

# **Matanuska-Susitna Borough School District**

## **(A Component Unit of the Matanuska-Susitna Borough)**

### **Notes to Required Supplementary Information, continued**

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#### **3. Public Employees' Retirement System and Teachers' Retirement System - OPEB Plans**

##### ***Schedule of the District's Proportionate Share of the Net OPEB Asset and Liability***

These tables are presented based on the Plan measurement date. For June 30, 2021, the Plan measurement date is June 30, 2020.

##### ***Changes in Assumptions:***

The actuarial assumptions used in the June 30, 2019 actuarial valuation were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017. As a result of this experience study, the ARM Board adopted updated actuarial assumptions for the June 30, 2018 actuarial valuation to better reflect expected future experience. The assumptions used in the June 30, 2019 actuarial valuation are the same as those used in the June 30, 2018 valuation with the following exceptions:

1. Per capita claims costs were updated to reflect recent experience.
2. Retired member contribution trend rates were updated to reflect the ongoing shift in population from pre-Medicare to Medicare-eligible and a projection of expected future retiree contributions reflecting the 10% decrease from 2019 to 2020.
3. The Further Consolidated Appropriations Act, 2020 that was signed in December 2019 made several changes, including the repeal of the Cadillac Tax.
4. The amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid for postretirement healthcare plan assets.

In 2020, the discount rate was lowered from 8% to 7.38%.

In 2020, an Employer Group Waiver Plan (EGWP) was implemented effective January 1, 2019. This arrangement replaced the Retiree Drug Subsidy (RDS) under Medicare Part D and resulted in largest projected subsidies to offset the cost of prescription drug coverage.

GASB requires ten years of information be presented. However, until a full 10 years of information is available, the District will present only those years for which information is available.

##### ***Schedule of District Contributions***

These tables are based on the District's contributions for each fiscal year presented. These contributions have been reported as a deferred outflow of resources on the Statement of Net Position.

GASB requires ten years of information be presented. However, until a full ten years of information is available, the District will present only those years for which information is available.

## **Additional Supplementary Information**

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## **General Fund**

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**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**General (School Operating) Fund**  
**Balance Sheet**

<i>June 30,</i>	2021	2020
<b>Assets</b>		
Cash	\$ 13,298,867	\$ 29,696,166
Accounts receivable - other	877,934	265,562
Inventory	1,547,606	1,381,835
Prepaid items	4,899,613	950,613
Due from other funds	10,968,196	6,562,680
<b>Total Assets</b>	<b>\$ 31,592,216</b>	<b>\$ 38,856,856</b>
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Accounts payable	\$ 2,146,481	\$ 2,173,198
Accrued payroll and related liabilities	8,704,472	8,141,694
Unearned revenue	-	19,927
<b>Total Liabilities</b>	<b>10,850,953</b>	<b>10,334,819</b>
<b>Fund Balance</b>		
Nonspendable	6,447,219	2,332,448
Restricted	3,162,995	2,064,434
Assigned	500,000	500,000
Unassigned	10,631,049	23,625,155
<b>Total Fund Balance</b>	<b>20,741,263</b>	<b>28,522,037</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 31,592,216</b>	<b>\$ 38,856,856</b>

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**General (School Operating) Fund**  
**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance - Budget and Actual**

Years Ended June 30,	2021			2020
	Budget	Actual	Variance with Budget	Actual
<b>Revenues</b>				
Local sources:				
Borough appropriation	\$ 62,310,148	\$ 62,310,148	\$ -	\$ 60,665,932
Facility use	-	27,521	27,521	86,804
Other local reimbursement	134,138	456,335	322,197	410,776
Other	1,622,372	531,634	(1,090,738)	330,407
<b>Total local sources</b>	<b>64,066,658</b>	<b>63,325,638</b>	<b>(741,020)</b>	<b>61,493,919</b>
State sources:				
PERS on behalf	2,877,415	3,022,315	144,900	2,338,553
TRS on behalf	17,384,963	17,841,542	456,579	17,889,178
Public school funding	173,584,717	173,584,717	-	170,211,256
Other state revenue	64,408	64,408	-	3,994,080
<b>Total state sources</b>	<b>193,911,503</b>	<b>194,512,982</b>	<b>601,479</b>	<b>194,433,067</b>
Federal sources:				
Direct	137,672	190,673	53,001	217,486
E-rate	1,444,796	1,439,607	(5,189)	1,344,024
Medicaid reimbursement	409,500	501,424	91,924	18,384
<b>Total federal sources</b>	<b>1,991,968</b>	<b>2,131,704</b>	<b>139,736</b>	<b>1,579,894</b>
<b>Total Revenues</b>	<b>259,970,129</b>	<b>259,970,324</b>	<b>195</b>	<b>257,506,880</b>

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**General (School Operating) Fund**  
**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance - Budget and Actual**

Years Ended June 30,	2021		2020	
	Budget	Actual	Variance with Budget	Actual
<b>Expenditures</b>				
Current:				
Instruction	\$ 116,081,923	\$ 111,385,024	\$ 4,696,899	\$ 102,760,589
Special education instruction	43,171,229	42,572,756	598,473	40,592,744
Special education support services - students	17,756,843	17,473,661	283,182	16,421,271
Support services - students	10,425,148	10,609,671	(184,523)	9,869,909
Support services - instruction	10,801,468	8,937,886	1,863,582	10,629,081
School administration	11,090,489	11,055,847	34,642	10,243,720
School administration support services	10,900,288	10,359,783	540,505	10,077,567
District administration	1,186,690	1,349,835	(163,145)	1,752,654
District administration support services	15,273,352	13,888,552	1,384,800	13,318,020
Operations and maintenance of plant	26,731,908	24,476,473	2,255,435	24,432,773
Student activities	3,937,959	3,571,305	366,654	3,408,857
Community services	145	142	3	-
Student transportation - to and from school	-	(75)	75	-
Food services	-	(862)	862	(7,851)
Capital outlay - construction and facilities acquisition	-	-	-	13,500
<b>Total Expenditures</b>	<b>267,357,442</b>	<b>255,679,998</b>	<b>11,677,444</b>	<b>243,512,834</b>
Excess of revenues over (under) expenditures	(7,387,313)	4,290,326	11,677,639	13,994,046
<b>Other Financing Sources (Uses)</b>				
Transfers in	352,948	147,052	(205,896)	83,123
Transfers out	(13,444,283)	(12,218,152)	1,226,131	(10,895,014)
<b>Net Other Financing Sources (Uses)</b>	<b>(13,091,335)</b>	<b>(12,071,100)</b>	<b>1,020,235</b>	<b>(10,811,891)</b>
Net Change in Fund Balances	<u>\$ (20,478,648)</u>	<u>(7,780,774)</u>	<u>\$ 12,697,874</u>	3,182,155
Fund Balance, beginning of year		28,522,037		25,339,882
Fund Balance, end of year		<u>\$ 20,741,263</u>		<u>\$ 28,522,037</u>

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**General (School Operating) Fund**  
**Schedule of Expenditures - Budget and Actual**

Years Ended June 30,	2021		Variance	2020
	Budget	Actual	with Budget	Actual
<b>Expenditures</b>				
Instruction:				
Certificated salaries	\$ 59,853,213	\$ 60,133,445	\$ (280,232)	\$ 56,929,891
Noncertificated salaries	3,376,158	3,653,045	(276,887)	2,543,731
Employee benefits	37,193,789	37,157,763	36,026	34,757,768
Professional and technical services	4,565,771	3,152,210	1,413,561	2,181,134
Staff travel	45,642	9,496	36,146	28,802
Student travel	230,543	136,365	94,178	407,946
Utility services	578,569	572,124	6,445	395,964
Other purchased services	793,693	376,118	417,575	735,437
Supplies, materials and media	8,682,490	5,710,863	2,971,627	4,458,144
Other expenditures	730,899	457,311	273,588	321,772
Equipment	31,156	26,284	4,872	-
<b>Total instruction</b>	<b>116,081,923</b>	<b>111,385,024</b>	<b>4,696,899</b>	<b>102,760,589</b>
Special education instruction:				
Certificated salaries	15,416,048	15,467,426	(51,378)	14,119,909
Noncertificated salaries	10,057,992	9,730,185	327,807	9,948,132
Employee benefits	17,429,871	17,192,336	237,535	16,389,551
Professional and technical services	6,681	2,043	4,638	4,315
Staff travel	2,427	539	1,888	2,066
Student travel	3,957	3,956	1	3,482
Utility services	1,536	740	796	-
Other purchased services	162	162	-	229
Supplies, materials and media	252,529	175,242	77,287	125,040
Other expenditures	26	127	(101)	20
<b>Total special education instruction</b>	<b>43,171,229</b>	<b>42,572,756</b>	<b>598,473</b>	<b>40,592,744</b>
Special education support services - students:				
Certificated salaries	7,924,265	7,912,183	12,082	7,240,582
Noncertificated salaries	1,782,028	1,752,097	29,931	1,745,605
Employee benefits	5,741,293	5,701,430	39,863	5,367,352
Professional and technical services	1,797,252	1,704,813	92,439	1,713,835
Staff travel	76,993	58,820	18,173	79,818
Student travel	7,800	5,055	2,745	14,526
Utility services	1,650	832	818	149
Other purchased services	37,646	27,799	9,847	3,989
Supplies, materials and media	386,982	309,863	77,119	245,282
Other expenditures	934	769	165	810
Equipment	-	-	-	9,323
<b>Total special education support services - students</b>	<b>17,756,843</b>	<b>17,473,661</b>	<b>283,182</b>	<b>16,421,271</b>

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**General (School Operating) Fund**  
**Schedule of Expenditures - Budget and Actual, continued**

Years Ended June 30,	2021		Variance with Budget	2020
	Budget	Actual	Budget	Actual
<b>Expenditures, continued</b>				
Support services - students:				
Certificated salaries	\$ 5,178,369	\$ 5,213,171	\$ (34,802)	\$ 4,923,970
Noncertificated salaries	1,389,911	1,262,498	127,413	1,094,656
Employee benefits	3,543,667	3,884,526	(340,859)	3,486,799
Professional and technical services	20,240	6,349	13,891	16,873
Staff travel	4,666	1,794	2,872	1,458
Other purchased services	40,501	22,833	17,668	20,380
Supplies, materials and media	229,721	214,546	15,175	176,004
Other expenditures	3,967	3,954	13	2,807
Equipment	14,106	-	14,106	146,962
<b>Total support services - students</b>	<b>10,425,148</b>	<b>10,609,671</b>	<b>(184,523)</b>	<b>9,869,909</b>
Support services - instruction:				
Certificated salaries	5,258,970	3,807,157	1,451,813	3,493,257
Noncertificated salaries	885,105	820,118	64,987	1,371,266
Employee benefits	2,574,784	2,720,727	(145,943)	2,949,672
Professional and technical services	74,101	92,916	(18,815)	190,552
Staff travel	64,595	18,297	46,298	48,054
Student travel	9,670	-	9,670	1,712
Utility services	932,363	750,711	181,652	1,939,228
Other purchased services	83,778	187,759	(103,981)	14,439
Supplies, materials and media	863,395	505,670	357,725	599,984
Other expenditures	40,720	34,531	6,189	13,147
Equipment	13,987	-	13,987	7,770
<b>Total support services - instruction</b>	<b>10,801,468</b>	<b>8,937,886</b>	<b>1,863,582</b>	<b>10,629,081</b>
School administration:				
Certificated salaries	7,297,228	7,324,817	(27,589)	6,711,980
Noncertificated salaries	11,028	6,013	5,015	12,659
Employee benefits	3,652,626	3,626,568	26,058	3,417,625
Professional and technical services	250	245	5	1,495
Staff travel	80,713	64,557	16,156	69,970
Utility services	166	165	1	-
Other purchased services	-	3,680	(3,680)	500
Supplies, materials and media	41,940	23,441	18,499	24,718
Other expenditures	6,538	6,361	177	4,773
<b>Total school administration</b>	<b>11,090,489</b>	<b>11,055,847</b>	<b>34,642</b>	<b>10,243,720</b>

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**General (School Operating) Fund**  
**Schedule of Expenditures - Budget and Actual, continued**

Years Ended June 30,	2021		Variance	2020
	Budget	Actual	with Budget	Actual
<b>Expenditures, continued</b>				
School administration support services:				
Noncertificated salaries	\$ 5,471,669	\$ 5,353,401	\$ 118,268	\$ 5,408,241
Employee benefits	4,203,694	4,043,365	160,329	3,899,629
Professional and technical services	139	139	-	-
Staff travel	5,739	635	5,104	1,766
Utility services	64,682	40,265	24,417	48,950
Other purchased services	819,583	591,154	228,429	504,805
Supplies, materials and media	331,507	329,614	1,893	213,313
Other expenditures	3,275	1,210	2,065	863
<b>Total school administration support services</b>	<b>10,900,288</b>	<b>10,359,783</b>	<b>540,505</b>	<b>10,077,567</b>
District administration:				
Certificated salaries	212,229	355,627	(143,398)	623,996
Noncertificated salaries	313,077	390,515	(77,438)	368,462
Employee benefits	393,183	439,342	(46,159)	526,322
Professional and technical services	2,911	300	2,611	30,026
Staff travel	93,623	36,762	56,861	49,606
Student travel	1,967	-	1,967	201
Other purchased services	107,728	104,311	3,417	125,055
Supplies, materials and media	33,107	13,758	19,349	19,216
Other expenditures	28,865	9,220	19,645	9,770
<b>Total district administration</b>	<b>1,186,690</b>	<b>1,349,835</b>	<b>(163,145)</b>	<b>1,752,654</b>
District administration support services:				
Certificated salaries	9,000	3,900	5,100	51,261
Noncertificated salaries	4,980,711	4,910,185	70,526	4,911,645
Employee benefits	3,216,524	3,164,590	51,934	3,187,183
Professional and technical services	1,206,995	924,757	282,238	884,179
Staff travel	93,200	29,488	63,712	41,554
Utility services	46,829	16,799	30,030	15,464
Other purchased services	1,379,228	913,447	465,781	1,327,594
Insurance and bond premiums	859,355	767,818	91,537	437,954
Supplies, materials and media	3,452,437	3,585,367	(132,930)	2,071,301
Other expenditures	69,664	11,815	57,849	16,832
Indirect costs	(897,527)	(1,155,414)	257,887	(608,926)
Equipment	827,236	686,100	141,136	981,979
Capital outlay	29,700	29,700	-	-
<b>Total district administration support services</b>	<b>15,273,352</b>	<b>13,888,552</b>	<b>1,384,800</b>	<b>13,318,020</b>

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**General (School Operating) Fund**  
**Schedule of Expenditures - Budget and Actual, continued**

Years Ended June 30,	2021		Variance with Budget	2020
	Budget	Actual		Actual
<b>Expenditures, continued</b>				
Operations and maintenance of plant:				
Noncertificated salaries	\$ 7,089,251	\$ 7,073,663	\$ 15,588	\$ 7,304,696
Employee benefits	5,088,621	4,904,273	184,348	4,907,451
Professional and technical services	6,988	38,682	(31,694)	31,317
Staff travel	5,136	3,526	1,610	2,999
Utility services	1,040,035	710,904	329,131	691,592
Energy	6,481,440	5,150,148	1,331,292	5,224,492
Other purchased services	3,664,665	3,303,996	360,669	3,093,855
Insurance and bond premiums	1,838,472	1,903,561	(65,089)	1,853,327
Supplies, materials and media	1,493,811	1,333,937	159,874	1,304,013
Other expenditures	4,037	3,860	177	10,836
Equipment	19,452	49,923	(30,471)	8,195
<b>Total operations and maintenance of plant</b>	<b>26,731,908</b>	<b>24,476,473</b>	<b>2,255,435</b>	<b>24,432,773</b>
Student activities:				
Certificated salaries	1,934,333	1,644,440	289,893	1,611,110
Noncertificated salaries	443,277	714,697	(271,420)	522,405
Employee benefits	794,466	684,883	109,583	687,651
Professional and technical services	-	2,605	(2,605)	-
Staff travel	1,563	1,321	242	246
Student travel	348,344	149,222	199,122	390,020
Utility services	717	979	(262)	-
Other purchased services	201,977	211,543	(9,566)	107,719
Supplies, materials and media	89,267	81,198	8,069	23,265
Other expenditures	124,015	80,417	43,598	66,441
<b>Total student activities</b>	<b>3,937,959</b>	<b>3,571,305</b>	<b>366,654</b>	<b>3,408,857</b>
Student transportation - to and from school - employee benefits	-	(75)	75	-
Community services:				
Employee benefits	-	(3)	3	-
Other purchased services	145	145	-	-
<b>Total community services</b>	<b>145</b>	<b>142</b>	<b>3</b>	<b>-</b>
Food services:				
Noncertificated salaries	-	-	-	92
Employee benefits	-	(862)	862	(7,943)
<b>Total food services</b>	<b>-</b>	<b>(862)</b>	<b>862</b>	<b>(7,851)</b>
Construction and facilities acquisition - other purchased services	-	-	-	13,500
<b>Total Expenditures</b>	<b>\$ 267,357,442</b>	<b>\$ 255,679,998</b>	<b>\$ 11,677,444</b>	<b>\$ 243,512,834</b>

## Capital Projects Fund

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**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Capital Project Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Expenditures</b>			
Capital outlay - construction and facilities acquisition:			
Professional and technical services	6,359	33,207	(26,848)
Other purchased services	2,388,765	1,120,351	1,268,414
Supplies, materials and media	181,514	49,058	132,456
Other expenses	-	971	(971)
Equipment	226,288	93,771	132,517
<b>Total construction and facilities acquisition</b>	<b>2,802,926</b>	<b>1,297,358</b>	<b>1,505,568</b>
<b>Total Expenditures</b>	<b>2,802,926</b>	<b>1,297,358</b>	<b>1,505,568</b>
<b>Deficiency of Revenues over Expenditures</b>	<b>(2,802,926)</b>	<b>(1,297,358)</b>	<b>(1,505,568)</b>
<b>Other Financing Sources (Uses)</b>			
Transfers in	8,949,978	8,798,526	151,452
Transfers out	(147,052)	(147,052)	-
<b>Net Other Financing Sources (Uses)</b>	<b>8,802,926</b>	<b>8,651,474</b>	<b>151,452</b>
<b>Special Item - Transfer to Other Governmental Units</b>	<b>(6,000,000)</b>	<b>(6,000,000)</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>\$ -</b>	<b>1,354,116</b>	<b>\$ (1,354,116)</b>
<b>Fund Balance, beginning of year</b>		<b>-</b>	
<b>Fund Balance, end of year</b>		<b>\$ 1,354,116</b>	

## **Nonmajor Governmental Funds**

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**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Nonmajor Governmental Funds**  
**Combining Balance Sheet**

	Special Revenue Funds				
	Student Transpor- tation	Substance Misuse and Addiction Prevention	Staff Develop- ment	Suicide Awareness, Prevention & Postvention	National Math & Science Initiative (NMSI)
<i>June 30, 2021</i>					
<b>Assets</b>					
Cash	\$ 617,105	\$ -	\$ -	\$ -	\$ -
Accounts receivable - federal, state, and local grants	-	10,348	1,797	17,892	42,472
Inventory	-	-	-	-	-
Prepaid expenses	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 617,105</b>	<b>\$ 10,348</b>	<b>\$ 1,797</b>	<b>\$ 17,892</b>	<b>\$ 42,472</b>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities</b>					
Accounts payable	\$ 82,313	\$ -	\$ 33	\$ -	\$ -
Unearned revenue	-	-	-	-	-
Due to other funds	-	10,348	1,764	17,892	42,472
<b>Total Liabilities</b>	<b>82,313</b>	<b>10,348</b>	<b>1,797</b>	<b>17,892</b>	<b>42,472</b>
<b>Fund Balances</b>					
Nonspendable	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	534,792	-	-	-	-
<b>Total Fund Balances</b>	<b>534,792</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 617,105</b>	<b>\$ 10,348</b>	<b>\$ 1,797</b>	<b>\$ 17,892</b>	<b>\$ 42,472</b>

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Nonmajor Governmental Funds**  
**Combining Balance Sheet, continued**

	Special Revenue Funds, continued						
	Student Life Skills Programs	Nutritional Alaskan Foods Program	Food Service	Title I-D Delinquent	McKinney Homeless	Alternative Schools Grant	Title II-A, Teacher and Principal Training and Recruitment
June 30, 2021							
Assets							
Cash	\$ -	\$ 188,307	\$ 839,174	\$ -	\$ -	\$ -	\$ -
Accounts receivable - federal, state, and local grants	43,473	-	431,520	10,195	12,039	53,996	159,234
Inventory	-	-	1,387,861	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-
Total Assets	\$ 43,473	\$ 188,307	\$ 2,658,555	\$ 10,195	\$ 12,039	\$ 53,996	\$ 159,234
Liabilities and Fund Balances							
Liabilities							
Accounts payable	\$ -	\$ -	\$ 269,573	\$ -	\$ 644	\$ 1,800	\$ 2,000
Unearned revenue	-	-	191,465	-	-	-	-
Due to other funds	15,937	-	-	10,195	11,395	52,196	157,234
Total Liabilities	15,937	-	461,038	10,195	12,039	53,996	159,234
Fund Balances							
Nonspendable	-	-	1,387,861	-	-	-	-
Committed	27,536	188,307	-	-	-	-	-
Assigned	-	-	809,656	-	-	-	-
Total Fund Balances	27,536	188,307	2,197,517	-	-	-	-
Total Liabilities and Fund Balances	\$ 43,473	\$ 188,307	\$ 2,658,555	\$ 10,195	\$ 12,039	\$ 53,996	\$ 159,234

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Nonmajor Governmental Funds**  
**Combining Balance Sheet, continued**

	Special Revenue Funds, continued						
	Carl Perkins Vocational Education Basic	Title III-A English Language	IASA Con- solidated Admin- istration	Title I-A Basic	Title VI-B IDEA	Learning Center	Title I-C Migrant Education Summer
<i>June 30, 2021</i>							
<b>Assets</b>							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable - federal, state, and local grants	176,488	7,670	554,204	1,514,955	1,133,272	270,422	1,266,246
Inventory	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-
<b>Total Assets</b>	\$ 176,488	\$ 7,670	\$ 554,204	\$ 1,514,955	\$ 1,133,272	\$ 270,422	\$ 1,266,246
<b>Liabilities and Fund Balances</b>							
<b>Liabilities</b>							
Accounts payable	\$ -	\$ -	\$ 2,989	\$ 11,758	\$ 68,918	\$ 18,997	\$ 110,894
Unearned revenue	-	-	-	-	-	-	-
Due to other funds	176,488	7,670	551,215	1,503,197	1,064,354	251,425	1,154,602
<b>Total Liabilities</b>	176,488	7,670	554,204	1,514,955	1,133,272	270,422	1,265,496
<b>Fund Balances</b>							
Nonspendable	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	750
<b>Total Fund Balances</b>	-	-	-	-	-	-	750
<b>Total Liabilities and Fund Balances</b>	\$ 176,488	\$ 7,670	\$ 554,204	\$ 1,514,955	\$ 1,133,272	\$ 270,422	\$ 1,266,246

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Nonmajor Governmental Funds**  
**Combining Balance Sheet, continued**

	Special Revenue Funds, continued				
	CEIS IDEA Part B Title VI-B	IDEA Part B Preschool Disabled	Student Health & Academic Achievement	Title IV-A Student Support & Academic Achievement	Title I-D Neglected
<i>June 30, 2021</i>					
<b>Assets</b>					
Cash	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable - federal, state, and local grants	172,236	32,925	8,914	308,841	32,410
Inventory	-	-	-	-	-
Prepaid expenses	-	-	-	-	-
<b>Total Assets</b>	\$ 172,236	\$ 32,925	\$ 8,914	\$ 308,841	\$ 32,410
<b>Liabilities and Fund Balances</b>					
<b>Liabilities</b>					
Accounts payable	\$ -	\$ -	\$ -	188,743	5,076
Unearned revenue	-	-	-	-	-
Due to other funds	172,236	32,925	8,914	120,098	27,334
<b>Total Liabilities</b>	172,236	32,925	8,914	308,841	32,410
<b>Fund Balances</b>					
Nonspendable	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
<b>Total Fund Balances</b>	-	-	-	-	-
<b>Total Liabilities and Fund Balances</b>	\$ 172,236	\$ 32,925	\$ 8,914	\$ 308,841	\$ 32,410

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Nonmajor Governmental Funds**  
**Combining Balance Sheet, continued**

	Special Revenue Funds, continued							
	Comp St	Title I-A		Title III		COVID-19		
	Literacy	School		English		Contact		CARES
June 30, 2021	Development	Improve- ment	COVID Relief	Language Immigrant	FEMA	Tracing		Act
Assets								
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable - federal, state, and local grants	126,860	88,541	1,934,227	1,624	154,489	46,024		1,518,667
Inventory	-	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-	-
Total Assets	\$ 126,860	\$ 88,541	\$ 1,934,227	\$ 1,624	\$ 154,489	\$ 46,024		\$ 1,518,667
Liabilities and Fund Balances								
Liabilities								
Accounts payable	\$ 407	\$ 7,196	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unearned revenue	-	-	-	-	-	-	-	-
Due to other funds	126,453	81,345	1,934,227	1,624	154,489	46,024		1,518,667
Total Liabilities	126,860	88,541	1,934,227	1,624	154,489	46,024		1,518,667
Fund Balances								
Nonspendable	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-
Total Fund Balances	-	-	-	-	-	-	-	-
Total Liabilities and Fund Balances	\$ 126,860	\$ 88,541	\$ 1,934,227	\$ 1,624	\$ 154,489	\$ 46,024		\$ 1,518,667

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Nonmajor Governmental Funds**  
**Combining Balance Sheet, continued**

	Special Revenue Funds, continued								
	Indian Education	Contributions From Local Sources	Trapper Creek Community Enrichment	Talkeetna Community Enrichment	Knik Tribal Council - Local	Cultural Program	Student Activities	River Rangers	
June 30, 2021									
Assets									
Cash	\$ -	\$ 40,064	\$ 6,100	\$ 261	\$ -	\$ 9,050	\$ 2,733,548	\$ 6,091	
Accounts receivable - federal, state, and local grants	229,484	-	-	1,751	12,000	-	-	-	
Inventory	-	-	-	-	-	-	-	-	
Prepaid expenses	-	-	-	-	-	-	-	-	
Total Assets	\$ 229,484	\$ 40,064	\$ 6,100	\$ 2,012	\$ 12,000	\$ 9,050	\$ 2,733,548	\$ 6,091	
Liabilities and Fund Balances									
Liabilities									
Accounts payable	\$ 6,800	\$ 517	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Unearned revenue	-	17,175	-	-	-	-	-	-	
Due to other funds	222,684	-	-	-	12,000	-	-	-	
Total Liabilities	229,484	17,692	-	-	12,000	-	-	-	
Fund Balances									
Nonspendable	-	-	-	-	-	-	-	-	
Committed	-	-	6,100	2,012	-	9,050	2,733,548	6,091	
Assigned	-	22,372	-	-	-	-	-	-	
Total Fund Balances	-	22,372	6,100	2,012	-	9,050	2,733,548	6,091	
Total Liabilities and Fund Balances	\$ 229,484	\$ 40,064	\$ 6,100	\$ 2,012	\$ 12,000	\$ 9,050	\$ 2,733,548	\$ 6,091	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**  
**Nonmajor Governmental Funds**  
**Combining Balance Sheet, continued**

	Special Revenue Funds, continued						Debt Service	
	Mat-Su Construction and Trade	WL Community Enrichment	Mat-Su Health Foundation	Community Impact	Vending Machines	Renewal and Replacement	Debt Service Fund	Totals
June 30, 2021								
Assets								
Cash	\$ 203,856	\$ 93	\$ 384,499	\$ 926	\$ 206	\$ 1,004,757	\$ 786,901	\$ 6,820,938
Accounts receivable - federal, state, and local grants	-	-	-	-	-	-	-	10,375,216
Inventory	19,224	-	-	-	-	-	-	1,407,085
Prepaid expenses	1,999	-	-	-	-	-	-	1,999
Total Assets	\$ 225,079	\$ 93	\$ 384,499	\$ 926	\$ 206	\$ 1,004,757	\$ 786,901	\$ 18,605,238
Liabilities and Fund Balances								
Liabilities								
Accounts payable	\$ -	\$ -	\$ 748	\$ -	\$ 206	\$ 82,216	\$ -	\$ 861,828
Unearned revenue	-	-	371,616	-	-	-	-	580,256
Due to other funds	-	-	-	-	-	-	-	9,487,404
Total Liabilities	-	-	372,364	-	206	82,216	-	10,929,488
Fund Balances								
Nonspendable	21,223	-	-	-	-	-	-	1,409,084
Committed	203,856	93	12,135	-	-	922,541	786,901	4,898,170
Assigned	-	-	-	926	-	-	-	1,368,496
Total Fund Balances	225,079	93	12,135	926	-	922,541	786,901	7,675,750
Total Liabilities and Fund Balances	\$ 225,079	\$ 93	\$ 384,499	\$ 926	\$ 206	\$ 1,004,757	\$ 786,901	\$ 18,605,238

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Nonmajor Governmental Funds**  
**Combining Statement of Revenues,**  
**Expenditures and Changes in Fund Balances**

	Special Revenue Funds					
	Student Transportation	Substance Misuse and Addiction Prevention	Staff Development	Suicide Awareness, Prevention & Postvention	Youth in Detention	National Math & Science Initiative (NMSI)
<i>Year Ended June 30, 2021</i>						
<b>Revenues</b>						
Local sources - other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Alaska	14,684,029	14,550	-	22,590	103,670	42,889
Federal sources:						
Direct from federal government	-	-	-	-	-	-
Passed through the State of Alaska	-	-	1,797	-	-	-
Passed through other intermediate agencies	-	-	-	-	-	-
Total federal sources	-	-	1,797	-	-	-
<b>Total Revenues</b>	<b>14,684,029</b>	<b>14,550</b>	<b>1,797</b>	<b>22,590</b>	<b>103,670</b>	<b>42,889</b>
<b>Expenditures</b>						
Current:						
Instruction	-	15	1,797	-	-	-
Special education instruction	-	-	-	-	97,155	-
Special education support services students	-	-	-	-	1,522	-
Support services - students	-	-	-	-	-	-
Support services - instruction	-	13,835	-	21,502	-	41,903
School administration	-	-	-	-	-	-
School administration support services	-	-	-	-	-	-
District administration support services	-	700	-	1,088	4,993	986
Operations and maintenance of plant	-	-	-	-	-	-
Student activities	-	-	-	-	-	-
Student transportation - to and from school	17,598,767	-	-	-	-	-
Student transportation - other transportation services	249,527	-	-	-	-	-
Community services	-	-	-	-	-	-
Food services	-	-	-	-	-	-
Debt Service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Construction and facilities acquisition	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>17,848,294</b>	<b>14,550</b>	<b>1,797</b>	<b>22,590</b>	<b>103,670</b>	<b>42,889</b>
Excess (Deficiency) of revenues over expenditures	(3,164,265)	-	-	-	-	-
<b>Other Financing Sources (Uses)</b>						
Transfers in	3,164,265	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Net Other Financing Sources (Uses)</b>	<b>3,164,265</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	-	-	-	-	-	-
<b>Fund Balances, beginning of year, as restated</b>	<b>534,792</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances, end of year</b>	<b>\$ 534,792</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues,**  
**Expenditures and Changes in Fund Balances, continued**

	Special Revenue Funds, continued						
	Student Life Skills Programs	Nutritional Alaskan Foods Program	NSLP Equipment Assistance Grant	Food Service	Title I-D Delinquent	McKinney Homeless	Alternative Schools Grant
<i>Year Ended June 30, 2021</i>							
<b>Revenues</b>							
Local sources - other	\$ -	\$ -	\$ -	\$ 117,724	\$ -	\$ -	\$ -
State of Alaska	80,983	201,173	-	-	-	-	71,888
Federal sources:							
Direct from federal government	-	-	-	-	-	-	-
Passed through the State of Alaska	-	-	11,248	8,344,071	37,034	43,787	-
Passed through other intermediate agencies	-	-	-	-	-	-	-
Total federal sources	-	-	11,248	8,344,071	37,034	43,787	-
<b>Total Revenues</b>	<b>80,983</b>	<b>201,173</b>	<b>11,248</b>	<b>8,461,795</b>	<b>37,034</b>	<b>43,787</b>	<b>71,888</b>
<b>Expenditures</b>							
Current:							
Instruction	-	-	-	-	12,227	5,406	1,989
Special education instruction	53,447	-	-	-	-	-	-
Special education support services students	-	-	-	-	-	-	-
Support services - students	-	-	-	-	996	-	-
Support services - instruction	-	-	-	-	22,027	2,069	60,841
School administration	-	-	-	-	-	-	5,596
School administration support services	-	-	-	-	-	-	-
District administration support services	-	-	-	3,173	1,784	2,109	3,462
Operations and maintenance of plant	-	-	-	309,008	-	-	-
Student activities	-	-	-	-	-	88	-
Student transportation - to and from school	-	-	-	-	-	-	-
Student transportation - other transportation services	-	-	-	-	-	-	-
Community services	-	-	-	-	-	34,115	-
Food services	-	12,866	11,248	6,848,445	-	-	-
Debt Service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
Construction and facilities acquisition	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>53,447</b>	<b>12,866</b>	<b>11,248</b>	<b>7,160,626</b>	<b>37,034</b>	<b>43,787</b>	<b>71,888</b>
Excess (Deficiency) of revenues over expenditures	27,536	188,307	-	1,301,169	-	-	-
<b>Other Financing Sources (Uses)</b>							
Transfers in	-	-	-	147,052	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Net Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>147,052</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	27,536	188,307	-	1,448,221	-	-	-
<b>Fund Balances, beginning of year, as restated</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>749,296</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances, end of year</b>	<b>\$ 27,536</b>	<b>\$ 188,307</b>	<b>\$ -</b>	<b>\$ 2,197,517</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues,**  
**Expenditures and Changes in Fund Balances, continued**

Year Ended June 30, 2021	Special Revenue Funds, continued						
	Title II-A, Teacher and Principal Training and Recruitment	Carl Perkins Vocational Education Basic	Title III-A English Language	IASA Con- solidated Admin- istration	Title I-A Basic	Title VI-B IDEA	Learning Center
<b>Revenues</b>							
Local sources - other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Alaska	-	-	-	-	-	-	-
Federal sources:							
Direct from federal government	-	-	-	-	-	-	-
Passed through the State of Alaska	538,354	491,911	31,988	1,795,854	4,886,819	4,283,748	581,909
Passed through other intermediate agencies	-	-	-	-	-	-	-
<b>Total federal sources</b>	<b>538,354</b>	<b>491,911</b>	<b>31,988</b>	<b>1,795,854</b>	<b>4,886,819</b>	<b>4,283,748</b>	<b>581,909</b>
<b>Total Revenues</b>	<b>538,354</b>	<b>491,911</b>	<b>31,988</b>	<b>1,795,854</b>	<b>4,886,819</b>	<b>4,283,748</b>	<b>581,909</b>
<b>Expenditures</b>							
Current:							
Instruction	32,462	469,922	29,772	134,093	4,042,490	-	407,449
Special education instruction	2,510	-	-	-	1,041	1,868,039	-
Special education support services students	-	-	-	-	-	1,880,781	-
Support services - students	-	-	-	-	314,141	158,145	-
Support services - instruction	399,412	-	675	1,328,298	198,333	-	9,000
School administration	10,437	-	-	-	38,449	173,486	73,589
School administration support services	-	-	-	-	14,247	-	63,845
District administration support services	93,533	21,989	1,541	333,463	234,721	203,297	28,026
Operations and maintenance of plant	-	-	-	-	-	-	-
Student activities	-	-	-	-	43,397	-	-
Student transportation - to and from school	-	-	-	-	-	-	-
Student transportation - other transportation services	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-
Debt Service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
Construction and facilities acquisition	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>538,354</b>	<b>491,911</b>	<b>31,988</b>	<b>1,795,854</b>	<b>4,886,819</b>	<b>4,283,748</b>	<b>581,909</b>
Excess (Deficiency) of revenues over expenditures	-	-	-	-	-	-	-
<b>Other Financing Sources (Uses)</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Net Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	-	-	-	-	-	-	-
<b>Fund Balances, beginning of year, as restated</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances, end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues,**  
**Expenditures and Changes in Fund Balances, continued**

	Special Revenue Funds, continued						
	Title I-C Migrant Education	Migrant Education Book Program	Community Impact	CEIS IDEA Part B Title VI-B	IDEA Part B Preschool Disabled	Student Health & Academic Achievement	Early Learning Preschool Pre-K Homeschool
<i>Year Ended June 30, 2021</i>							
<b>Revenues</b>							
Local sources - other	\$ 750	\$ -	\$ 926	\$ -	\$ -	\$ -	\$ -
State of Alaska	-	-	-	-	-	-	6,046
Federal sources:							
Direct from federal government	-	-	-	-	-	-	-
Passed through the State of Alaska	2,703,781	24,000	-	559,479	172,897	28,066	-
Passed through other intermediate agencies	-	-	-	-	-	-	-
Total federal sources	2,703,781	24,000	-	559,479	172,897	28,066	-
<b>Total Revenues</b>	<b>2,704,531</b>	<b>24,000</b>	<b>926</b>	<b>559,479</b>	<b>172,897</b>	<b>28,066</b>	<b>6,046</b>
<b>Expenditures</b>							
Current:							
Instruction	2,422,983	24,000	-	-	-	5,808	6,046
Special education instruction	-	-	-	82,673	130,388	-	-
Special education support services students	-	-	-	-	34,182	-	-
Support services - students	139,171	-	-	-	-	-	-
Support services - instruction	-	-	-	449,860	-	22,258	-
School administration	-	-	-	-	-	-	-
School administration support services	-	-	-	-	-	-	-
District administration support services	130,222	-	-	26,946	8,327	-	-
Operations and maintenance of plant	11,405	-	-	-	-	-	-
Student activities	-	-	-	-	-	-	-
Student transportation - to and from school	-	-	-	-	-	-	-
Student transportation - other transportation services	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-
Debt Service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
Construction and facilities acquisition	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>2,703,781</b>	<b>24,000</b>	<b>-</b>	<b>559,479</b>	<b>172,897</b>	<b>28,066</b>	<b>6,046</b>
Excess (Deficiency) of revenues over expenditures	750	-	926	-	-	-	-
<b>Other Financing Sources (Uses)</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Net Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	750	-	926	-	-	-	-
<b>Fund Balances, beginning of year, as restated</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances, end of year</b>	<b>\$ 750</b>	<b>\$ -</b>	<b>\$ 926</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues,**  
**Expenditures and Changes in Fund Balances, continued**

	Special Revenue Funds, continued								
	Title IV-A Student Support & Academic Achievement	Title I-D Neglected	Comp St Literacy Development	Title I-A School Improve- ment	COVID Relief	Title III English Language Immigrant	AK Statewide Virtual System	FEMA	
Year Ended June 30, 2021									
Revenues									
Local sources - other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
State of Alaska	-	-	-	-	-	-	-	28,351	
Federal sources:									
Direct from federal government	-	-	-	-	-	-	-	-	
Passed through the State of Alaska	593,083	77,130	247,228	249,163	1,941,684	11,243	157,742	85,054	
Passed through other intermediate agencies	-	-	-	-	-	-	-	-	
Total federal sources	593,083	77,130	247,228	249,163	1,941,684	11,243	157,742	85,054	
Total Revenues	593,083	77,130	247,228	249,163	1,941,684	11,243	157,742	113,405	
Expenditures									
Current:									
Instruction	28,260	-	218,381	227,748	1,837,402	-	157,742	5,080	
Special education instruction	-	-	-	-	-	-	-	380	
Special education support services students	-	-	-	-	-	-	-	555	
Support services - students	388,951	73,415	-	-	4,157	-	-	34,940	
Support services - instruction	144,720	-	17,089	9,415	-	10,702	-	-	
School administration	-	-	-	-	6,608	-	-	-	
School administration support services	-	-	-	-	-	-	-	21,670	
District administration support services	31,152	3,715	11,758	12,000	93,517	541	-	24,092	
Operations and maintenance of plant	-	-	-	-	-	-	-	26,688	
Student activities	-	-	-	-	-	-	-	-	
Student transportation - to and from school	-	-	-	-	-	-	-	-	
Student transportation - other transportation services	-	-	-	-	-	-	-	-	
Community services	-	-	-	-	-	-	-	-	
Food services	-	-	-	-	-	-	-	-	
Debt Service:									
Principal	-	-	-	-	-	-	-	-	
Interest	-	-	-	-	-	-	-	-	
Capital outlay:									
Construction and facilities acquisition	-	-	-	-	-	-	-	-	
Total Expenditures	593,083	77,130	247,228	249,163	1,941,684	11,243	157,742	113,405	
Excess (Deficiency) of revenues over expenditures	-	-	-	-	-	-	-	-	
Other Financing Sources (Uses)									
Transfers in	-	-	-	-	-	-	-	-	
Transfers out	-	-	-	-	-	-	-	-	
Net Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	
Net Change in Fund Balances	-	-	-	-	-	-	-	-	
Fund Balances, beginning of year, as restated	-	-	-	-	-	-	-	-	
Fund Balances, end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Nonmajor Governmental Funds**  
**Combining Statement of Revenues,**  
**Expenditures and Changes in Fund Balances, continued**

Year Ended June 30, 2021	Special Revenue Funds, continued					
	COVID-19 Contact Tracing	CARES Act	WHS AF JROTC Grant	Indian Education	Contributions From Local Sources	Trapper Creek Community Enrichment
<b>Revenues</b>						
Local sources - other	\$ -	\$ -	\$ -	\$ -	\$ 141,597	\$ 6,100
State of Alaska	-	-	-	-	-	-
Federal sources:						
Direct from federal government	-	-	4,893	638,599	-	-
Passed through the State of Alaska	82,307	3,754,027	-	-	-	-
Passed through other intermediate agencies	-	-	-	-	-	-
Total federal sources	82,307	3,754,027	4,893	638,599	-	-
<b>Total Revenues</b>	<b>82,307</b>	<b>3,754,027</b>	<b>4,893</b>	<b>638,599</b>	<b>141,597</b>	<b>6,100</b>
<b>Expenditures</b>						
Current:						
Instruction	-	2,955,741	-	597,037	16,464	-
Special education instruction	-	67,255	-	-	37	-
Special education support services students	-	105	-	-	-	-
Support services - students	78,343	249,310	-	-	22,975	-
Support services - instruction	-	1,980	4,893	-	44,681	-
School administration	-	-	-	-	-	-
School administration support services	-	280	-	-	-	-
District administration support services	3,964	183,655	-	41,562	-	-
Operations and maintenance of plant	-	295,701	-	-	29,018	-
Student activities	-	-	-	-	10,340	-
Student transportation - to and from school	-	-	-	-	-	-
Student transportation - other transportation services	-	-	-	-	-	-
Community services	-	-	-	-	-	-
Food services	-	-	-	-	-	-
Debt Service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
Construction and facilities acquisition	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>82,307</b>	<b>3,754,027</b>	<b>4,893</b>	<b>638,599</b>	<b>123,515</b>	<b>-</b>
Excess (Deficiency) of revenues over expenditures	-	-	-	-	18,082	6,100
<b>Other Financing Sources (Uses)</b>						
Transfers in	-	-	-	-	4,290	-
Transfers out	-	-	-	-	-	-
<b>Net Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,290</b>	<b>-</b>
Net Change in Fund Balances	-	-	-	-	22,372	6,100
<b>Fund Balances, beginning of year, as restated</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances, end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 22,372</b>	<b>\$ 6,100</b>

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues,**  
**Expenditures and Changes in Fund Balances, continued**

	Special Revenue Funds, continued							
	Talkeetna Community Enrichment	Knik Tribal Council - Local	Cultural Program	Student Activities	River Ranger	Mat-Su Construction and Trade	WL Community Enrichment	Mat-Su Health Foundation
<i>Year Ended June 30, 2021</i>								
<b>Revenues</b>								
Local sources - other	\$ 15,539	\$ -	\$ 7,728	\$ 1,300,414	\$ 6,091	\$ -	\$ 93	\$ 98,480
State of Alaska	-	-	-	-	-	-	-	-
Federal sources:								
Direct from federal government	-	-	-	-	-	-	-	-
Passed through the State of Alaska	-	-	-	-	-	-	-	-
Passed through other intermediate agencies	-	27,067	-	-	-	-	-	-
Total federal sources	-	27,067	-	-	-	-	-	-
<b>Total Revenues</b>	<b>15,539</b>	<b>27,067</b>	<b>7,728</b>	<b>1,300,414</b>	<b>6,091</b>	<b>-</b>	<b>93</b>	<b>98,480</b>
<b>Expenditures</b>								
Current:								
Instruction	-	23,795	-	-	-	(7,693)	-	18,457
Special education instruction	-	-	-	-	-	-	-	-
Special education support services students	-	-	-	-	-	-	-	-
Support services - students	-	-	-	-	-	-	-	7,386
Support services - instruction	-	-	-	-	-	-	-	60,502
School administration	-	-	-	-	-	-	-	-
School administration support services	-	-	-	-	-	-	-	-
District administration support services	-	1,204	-	-	-	-	-	-
Operations and maintenance of plant	-	-	-	-	-	-	-	-
Student activities	-	2,068	3,710	1,547,701	-	-	-	-
Student transportation - to and from school	-	-	-	-	-	-	-	-
Student transportation - other transportation services	-	-	-	-	-	-	-	-
Community services	13,527	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Capital outlay:								
Construction and facilities acquisition	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>13,527</b>	<b>27,067</b>	<b>3,710</b>	<b>1,547,701</b>	<b>-</b>	<b>(7,693)</b>	<b>-</b>	<b>86,345</b>
Excess (Deficiency) of revenues over expenditures	2,012	-	4,018	(247,287)	6,091	7,693	93	12,135
<b>Other Financing Sources (Uses)</b>								
Transfers in	-	-	-	40,000	-	217,386	-	-
Transfers out	-	-	-	-	-	-	-	-
<b>Net Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>40,000</b>	<b>-</b>	<b>217,386</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	2,012	-	4,018	(207,287)	6,091	225,079	93	12,135
<b>Fund Balances, beginning of year, as restated</b>	<b>-</b>	<b>-</b>	<b>5,032</b>	<b>2,940,835</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances, end of year</b>	<b>\$ 2,012</b>	<b>\$ -</b>	<b>\$ 9,050</b>	<b>\$ 2,733,548</b>	<b>\$ 6,091</b>	<b>\$ 225,079</b>	<b>\$ 93</b>	<b>\$ 12,135</b>

**Matanuska-Susitna Borough School District**  
(A Component Unit of the Matanuska-Susitna Borough)

**Nonmajor Governmental Funds**  
**Combining Statement of Revenues,**  
**Expenditures and Changes in Fund Balances, continued**

Year Ended June 30, 2021	Special Revenue Funds, continued				Debt Service	Capital Project	Totals
	Vending Machine	RJ Jones Memorial	Renewal and Replacement	Disaster	Debt Service Fund	Capital Improvement	
<b>Revenues</b>							
Local sources - other	\$ (126)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,695,316
State of Alaska	-	-	-	11,918	-	-	15,268,087
Federal sources:							
Direct from federal government	-	-	-	-	-	-	643,492
Passed through the State of Alaska	-	-	-	-	-	-	31,735,404
Passed through other intermediate agencies	-	-	-	35,753	-	-	62,820
Total federal sources	-	-	-	35,753	-	-	32,441,716
<b>Total Revenues</b>	(126)	-	-	47,671	-	-	49,405,119
<b>Expenditures</b>							
Current:							
Instruction	-	-	1,339,973	47,671	-	-	15,062,517
Special education instruction	-	-	-	-	-	-	2,302,925
Special education support services students	-	-	-	-	-	-	1,917,145
Support services - students	-	-	-	-	-	-	1,471,930
Support services - instruction	-	-	-	-	-	-	2,863,995
School administration	-	-	-	-	-	-	308,165
School administration support services	-	-	-	-	-	-	100,042
District administration support services	-	-	-	-	-	-	1,507,520
Operations and maintenance of plant	-	-	1,148,673	-	-	-	1,820,493
Student activities	-	-	-	-	-	-	1,607,304
Student transportation - to and from school	-	-	-	-	-	-	17,598,767
Student transportation - other transportation services	-	-	-	-	-	-	249,527
Community services	-	-	-	-	-	-	47,642
Food services	-	-	-	-	-	-	6,872,559
Debt Service:							
Principal	-	-	-	-	161,787	-	161,787
Interest	-	-	-	-	231,513	-	231,513
Capital outlay:							
Construction and facilities acquisition	-	-	-	-	-	-	-
<b>Total Expenditures</b>	-	-	2,488,646	47,671	393,300	-	54,123,831
Excess (Deficiency) of revenues over expenditures	(126)	-	(2,488,646)	-	(393,300)	-	(4,718,712)
<b>Other Financing Sources (Uses)</b>							
Transfers in	-	-	3,411,187	-	393,600	-	7,377,780
Transfers out	-	(4,290)	-	-	-	(3,736,478)	(3,740,768)
<b>Net Other Financing Sources (Uses)</b>	-	(4,290)	3,411,187	-	393,600	(3,736,478)	3,637,012
Net Change in Fund Balances	(126)	(4,290)	922,541	-	300	(3,736,478)	(1,081,700)
<b>Fund Balances, beginning of year, as restated</b>	126	4,290	-	-	786,601	3,736,478	8,757,450
<b>Fund Balances, end of year</b>	\$ -	\$ -	\$ 922,541	\$ -	\$ 786,901	\$ -	\$ 7,675,750

## Special Revenue Funds

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**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Student Transportation Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues - State of Alaska</b>	\$ 15,218,821	\$ 14,684,029	\$ (534,792)
<b>Expenditures</b>			
Operations and maintenance of plant - utility services	282	-	282
Student transportation - to and from school:			
Noncertificated salaries	229,648	229,659	(11)
Employee benefits	145,534	145,331	203
Other purchased services	17,897,841	17,214,075	683,766
Supplies, materials and media	18,170	9,702	8,468
Other expenditures	700	-	700
<b>Total student transportation - to and from school</b>	<b>18,291,893</b>	<b>17,598,767</b>	<b>693,126</b>
Student transportation - other transportation services - other purchased services	308,494	249,527	58,967
Community services - supplies, materials and media	500	-	500
<b>Total Expenditures</b>	<b>18,601,169</b>	<b>17,848,294</b>	<b>752,875</b>
Deficiency of revenues over expenditures	(3,382,348)	(3,164,265)	218,083
<b>Other Financing Sources - transfers in</b>	<b>3,382,348</b>	<b>3,164,265</b>	<b>(218,083)</b>
Net Change in Fund Balances	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balance, beginning of year		<u>534,792</u>	
Fund Balance, end of year		<u>\$ 534,792</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Substance Misuse and Addiction Prevention Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues - State of Alaska</b>	\$ 21,954	\$ 14,550	\$ (7,404)
<b>Expenditures</b>			
Instruction:			
Certificated salaries	14	14	-
Employee benefits	1	1	-
Professional and technical services	3,750	-	3,750
Other purchased services	2,128	-	2,128
Supplies, materials, and media	1,170	-	1,170
<b>Total instruction</b>	<b>7,063</b>	<b>15</b>	<b>7,048</b>
Support services - instruction:			
Professional and technical services	10,685	10,685	-
Supplies, materials, and media	3,150	3,150	-
<b>Total support services - instruction</b>	<b>13,835</b>	<b>13,835</b>	<b>-</b>
District administration - indirect costs	1,056	700	356
<b>Total Expenditures</b>	<b>21,954</b>	<b>14,550</b>	<b>7,404</b>
Net Change in Fund Balances	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Staff Development Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

			Variance with
<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Final Budget
<b>Revenues</b>			
Federal grants passed through the State of Alaska	\$ 2,202	\$ 1,797	\$ (405)
<b>Expenditures</b>			
Instruction - professional and technical services	2,202	1,797	405
Net Change in Fund Balances	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Suicide Awareness, Prevention & Postvention Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues - State of Alaska</b>	\$ 27,000	\$ 22,590	\$ (4,410)
<b>Expenditures</b>			
Support services - instruction:			
Professional and technical services	11,536	10,950	586
Staff travel	2,600	-	2,600
Supplies, materials and media	11,564	10,552	1,012
<b>Total support services - instruction</b>	<b>25,700</b>	<b>21,502</b>	<b>4,198</b>
District administration support services - indirect costs	1,300	1,088	212
<b>Total Expenditures</b>	<b>27,000</b>	<b>22,590</b>	<b>4,410</b>
Net Change in Fund Balances	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Youth in Detention Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues - State of Alaska</b>	\$ 103,670	\$ 103,670	\$ -
<b>Expenditures</b>			
Special education instruction:			
Certificated salaries	69,105	69,103	2
Employee benefits	25,695	26,116	(421)
Supplies, materials and media	3,877	1,936	1,941
<b>Total special education instruction</b>	<b>98,677</b>	<b>97,155</b>	<b>1,522</b>
Special education support services - students:			
Certificated salaries	-	1,316	(1,316)
Employee benefits	-	206	(206)
<b>Total special education support services - students</b>	<b>-</b>	<b>1,522</b>	<b>(1,522)</b>
District administration support services - indirect costs	4,993	4,993	-
<b>Total Expenditures</b>	<b>103,670</b>	<b>103,670</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>
<b>Fund Balance, beginning of year</b>		<b>-</b>	
<b>Fund Balance, end of year</b>		<b>\$ -</b>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**National Math and Science Initiative (NMSI) Special Revenue Fund**

**Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues - State of Alaska</b>	\$ 42,889	\$ 42,889	\$ -
<b>Expenditures</b>			
Support services - instruction:			
Certificated salaries	350	350	-
Employee benefits	6	6	-
Professional and technical services	41,475	41,399	76
Supplies, materials and media	62	148	(86)
Other expenditures	996	-	996
<b>Total support services - instruction</b>	<b>42,889</b>	<b>41,903</b>	<b>986</b>
District administration support services - indirect costs	-	986	(986)
<b>Total Expenditures</b>	<b>42,889</b>	<b>42,889</b>	<b>-</b>
Net Change in Fund Balances	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Student Life Skills Programs Special Revenue Fund**

**Statement of Revenues, Expenditures and  
Changes in Fund Balance**

*Year Ended June 30, 2021*

<b>Revenues - State of Alaska</b>	<b>\$ 80,983</b>
<b>Expenditures</b>	
Special education instruction:	
Certificated salaries	18,915
Noncertificated salaries	30,060
Employee benefits	4,472
<b>Total Expenditures</b>	<b>53,447</b>
Net Change in Fund Balances	27,536
<b>Fund Balance, beginning of year</b>	<b>-</b>
<b>Fund Balance, end of year</b>	<b>\$ 27,536</b>

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Nutritional Alaskan Foods for Schools Program Special Revenue Fund**

**Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues - State of Alaska</b>	\$ 100,000	\$ 201,173	\$ 101,173
<b>Expenditures</b>			
Food services - supplies, materials and media	100,000	12,866	87,134
Net Change in Fund Balances	<u>\$ -</u>	188,307	<u>\$ 188,307</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ 188,307</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**  
**NSLP Equipment Assistance Grant Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Federal grants passed through the State of Alaska	\$ 11,248	\$ 11,248	\$ -
<b>Expenditures</b>			
Food services - supplies, materials and media	11,248	11,248	-
Net Change in Fund Balances	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Food Service Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Local sources:			
Food service	\$ 29,187	\$ 33,106	\$ 3,919
Other	21,130	84,618	63,488
Total local sources	50,317	117,724	67,407
Federal grants passed through the State of Alaska	6,579,418	8,344,071	1,764,653
<b>Total Revenues</b>	<b>6,629,735</b>	<b>8,461,795</b>	<b>1,832,060</b>
<b>Expenditures</b>			
District administration support services - other purchased services	3,273	3,173	100
Operations and maintenance of plant:			
Utility services	22,476	16,347	6,129
Energy	331,602	230,321	101,281
Other purchased services	6,795	5,155	1,640
Insurance and bond premiums	33,951	33,951	-
Supplies, materials and media	45,294	23,234	22,060
Total operations and maintenance of plant	440,118	309,008	131,110
Food services:			
Noncertificated salaries	2,567,822	2,639,158	(71,336)
Employee benefits	1,181,875	1,178,545	3,330
Professional and technical services	750	750	-
Staff travel	4,512	1,444	3,068
Utility services	408	341	67
Other purchased services	45,178	44,608	570
Supplies, materials and media	3,445,165	2,960,499	484,666
Other expenditures	432	10	422
Equipment	156,027	23,090	132,937
Total food services	7,402,169	6,848,445	553,724
<b>Total Expenditures</b>	<b>7,845,560</b>	<b>7,160,626</b>	<b>684,934</b>
Excess (deficiency) of revenues over expenditures	(1,215,825)	1,301,169	2,516,994
<b>Other Financing Sources - transfers in</b>	<b>1,215,825</b>	<b>147,052</b>	<b>(1,068,773)</b>
Net Change in Fund Balances	<u>\$ -</u>	1,448,221	<u>\$ 1,448,221</u>
Fund Balance, beginning of year		749,296	
Fund Balance, end of year		<u>\$ 2,197,517</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Title I-D Delinquent Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Federal grants passed through the State of Alaska	\$ 39,281	\$ 37,034	\$ (2,247)
<b>Expenditures</b>			
Instruction:			
Certificated salaries	1	-	1
Noncertificated salaries	9,672	-	9,672
Employee benefits	9,331	-	9,331
Professional and technical services	2,400	845	1,555
Supplies, materials and media	14,385	11,382	3,003
Other expenditures	100	-	100
Total instruction	35,889	12,227	23,662
Support services - students - supplies, materials and media	1,000	996	4
Support services - instruction:			
Noncertificated salaries	-	8,623	(8,623)
Employee benefits	500	9,748	(9,248)
Supplies, materials and media	-	3,656	(3,656)
Total support services - instruction	500	22,027	(21,527)
District administration support services - indirect costs	1,892	1,784	108
<b>Total Expenditures</b>	<b>39,281</b>	<b>37,034</b>	<b>2,247</b>
Net Change in Fund Balances	\$ -	-	\$ -
Fund Balance, beginning of year		-	
Fund Balance, end of year		\$ -	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**McKinney Homeless Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Federal grants passed through the State of Alaska	\$ 49,347	\$ 43,787	\$ (5,560)
<b>Expenditures</b>			
Instruction:			
Student travel	88	-	88
Utility services	1,780	1,357	423
Supplies, materials and media	11,999	4,049	7,950
Total instruction	13,867	5,406	8,461
Support services - instruction - staff travel	2,069	2,069	-
District administration support services - indirect costs	2,377	2,109	268
Student activities - other purchased services	-	88	(88)
Student transportation - to and from school - other purchased services	87	-	87
Community services:			
Student travel	3,525	3,525	-
Other purchased services	2,500	1,590	910
Supplies, materials and media	24,922	29,000	(4,078)
Total community services	30,947	34,115	(3,168)
<b>Total Expenditures</b>	<b>49,347</b>	<b>43,787</b>	<b>5,560</b>
Net Change in Fund Balances	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		-	
Fund Balance, end of year		<u>\$ -</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Alternative Schools Grant Special Revenue Fund**

**Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues - State of Alaska</b>	\$ 77,249	\$ 71,888	\$ (5,361)
<b>Expenditures</b>			
Instruction:			
Professional and technical services	4,476	1,800	2,676
Supplies, materials and media	189	189	-
<b>Total instruction</b>	<b>4,665</b>	<b>1,989</b>	<b>2,676</b>
Support services - instruction:			
Professional and technical services	3,297	3,297	-
Student travel	1,135	523	612
Other purchased services	812	812	-
Supplies, materials and media	54,137	53,209	928
Other expenditures	3,000	3,000	-
<b>Total support services - instruction</b>	<b>62,381</b>	<b>60,841</b>	<b>1,540</b>
School administration:			
Other purchased services	1,510	1,270	240
Supplies, materials and media	4,973	4,326	647
<b>Total school administration</b>	<b>6,483</b>	<b>5,596</b>	<b>887</b>
District administration support services - indirect costs	3,720	3,462	258
<b>Total Expenditures</b>	<b>77,249</b>	<b>71,888</b>	<b>5,361</b>
Net Change in Fund Balances	\$ -	-	\$ -
Fund Balance, beginning of year		-	
Fund Balance, end of year		\$ -	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Title II-A, Teacher and Principal Training and Recruitment Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Federal grants passed through the State of Alaska	\$ 738,507	\$ 538,354	\$ (200,153)
<b>Expenditures</b>			
Instruction:			
Professional and technical services	4,800	4,800	-
Supplies, materials and media	28,372	27,662	710
Total instruction	33,172	32,462	710
Special education instruction:			
Noncertificated salaries	1,932	1,932	-
Employee benefits	578	578	-
Total special education instruction	2,510	2,510	-
Support services - instruction:			
Certificated salaries	254,072	229,163	24,909
Noncertificated salaries	123,083	46,669	76,414
Employee benefits	10,353	10,335	18
Professional and technical services	136,687	102,901	33,786
Other purchased services	4,635	3,893	742
Supplies, materials and media	56,869	6,451	50,418
Total support services - instruction	585,699	399,412	186,287
School administration:			
Certificated salaries	8,945	8,945	-
Employee benefits	1,492	1,492	-
Total school administration	10,437	10,437	-
District administration support services:			
Noncertificated salaries	47,022	43,546	3,476
Employee benefits	24,098	24,058	40
Indirect costs	35,569	25,929	9,640
Total district administration support services	106,689	93,533	13,156
<b>Total Expenditures</b>	<b>738,507</b>	<b>538,354</b>	<b>200,153</b>
Net Change in Fund Balances	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Carl Perkins Vocational Education Basic Special Revenue Fund**

**Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Federal grants passed through the State of Alaska	\$ 510,095	\$ 491,911	\$ (18,184)
<b>Expenditures</b>			
Instruction:			
Certificated salaries	175,061	177,106	(2,045)
Noncertificated salaries	6,975	-	6,975
Employee benefits	68,079	61,414	6,665
Professional and technical services	972	972	-
Student travel	1,500	-	1,500
Other purchased services	59,687	55,800	3,887
Supplies, materials and media	144,054	143,978	76
Other expenditures	500	500	-
Equipment	30,152	30,152	-
Total instruction	486,980	469,922	17,058
District administration support services - indirect costs	23,115	21,989	1,126
<b>Total Expenditures</b>	<b>510,095</b>	<b>491,911</b>	<b>18,184</b>
Net Change in Fund Balances	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Title III-A English Language Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Federal grants passed through the State of Alaska	\$ 70,530	\$ 31,988	\$ (38,542)
<b>Expenditures</b>			
Instruction:			
Certificated salaries	3,414	3,414	-
Noncertificated salaries	600	300	300
Employee benefits	516	462	54
Supplies, materials and media	25,834	25,596	238
Total instruction	30,364	29,772	592
Support services - instruction:			
Certificated salaries	1,435	-	1,435
Employee benefits	189	-	189
Professional and technical services	675	675	-
Supplies, materials and media	34,470	-	34,470
Total support services - instruction	36,769	675	36,094
District administration support services - indirect costs	3,397	1,541	1,856
<b>Total Expenditures</b>	<b>70,530</b>	<b>31,988</b>	<b>38,542</b>
Net Change in Fund Balances	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**IASA Consolidated Administration Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Federal grants passed through the State of Alaska	\$ 1,848,181	\$ 1,795,854	\$ (52,327)
<b>Expenditures</b>			
Instruction:			
Certificated salaries	99,349	99,346	3
Employee benefits	35,365	34,747	618
Total Instruction	134,714	134,093	621
Support services - instruction:			
Certificated salaries	848,596	848,596	-
Noncertificated salaries	70,103	67,235	2,868
Employee benefits	362,772	357,542	5,230
Professional and technical services	5,110	5,050	60
Staff travel	2,999	1,551	1,448
Utility services	300	-	300
Other purchased services	3,000	-	3,000
Supplies, materials and media	64,731	48,324	16,407
Other expenditures	600	-	600
Total support services - instruction	1,358,211	1,328,298	29,913
District administration support services:			
Noncertificated salaries	149,689	148,781	908
Employee benefits	116,553	98,188	18,365
Indirect costs	89,014	86,494	2,520
Total district administration support services	355,256	333,463	21,793
<b>Total Expenditures</b>	<b>1,848,181</b>	<b>1,795,854</b>	<b>52,327</b>
Net Change in Fund Balances	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		-	
Fund Balance, end of year		<u>\$ -</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Title I-A Basic Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Federal grants passed through the State of Alaska	\$ 5,068,337	\$ 4,886,819	\$ (181,518)
<b>Expenditures</b>			
Instruction:			
Certificated salaries	1,103,520	1,098,737	4,783
Noncertificated salaries	714,382	695,156	19,226
Employee benefits	898,508	848,000	50,508
Professional and technical services	21,186	18,353	2,833
Staff travel	3,944	1,976	1,968
Student travel	7,140	4,657	2,483
Utility services	7,628	4,959	2,669
Other purchased services	16,771	16,592	179
Supplies, materials and media	1,386,647	1,329,846	56,801
Other expenditures	13,211	10,868	2,343
Equipment	19,187	13,346	5,841
Total instruction	4,192,124	4,042,490	149,634
Special education instruction:			
Certificated salaries	609	609	-
Noncertificated salaries	467	300	167
Employee benefits	186	132	54
Total special education instruction	1,262	1,041	221
Support services - students:			
Certificated salaries	202,830	202,745	85
Noncertificated salaries	10,586	10,543	43
Employee benefits	97,518	93,023	4,495
Professional and technical services	5,000	5,000	-
Supplies, materials and media	2,830	2,830	-
Total support services - students	318,764	314,141	4,623
Support services - instruction:			
Certificated salaries	98,153	96,306	1,847
Noncertificated salaries	5,430	5,430	-
Employee benefits	40,564	40,550	14
Professional and technical services	48,047	48,047	-
Supplies, materials and media	13,206	8,000	5,206
Total support services - instruction	205,400	198,333	7,067

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**  
**Title I-A Basic Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual, continued**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Expenditures, continued</b>			
School administration:			
Certificated salaries	\$ 28,521	\$ 28,151	\$ 370
Employee benefits	10,713	10,202	511
Staff travel	96	96	-
<b>Total school administration</b>	<b>39,330</b>	<b>38,449</b>	<b>881</b>
School administration support services:			
Certificated salaries	1,747	-	1,747
Noncertificated salaries	10,873	10,873	-
Employee benefits	3,641	3,374	267
<b>Total school administration support services</b>	<b>16,261</b>	<b>14,247</b>	<b>2,014</b>
District administrative support services - indirect costs	243,181	234,721	8,460
Student activities:			
Certificated salaries	35,240	32,593	2,647
Noncertificated salaries	4,378	4,066	312
Employee benefits	10,936	5,477	5,459
Student travel	46	46	-
Other expenditures	1,215	1,215	-
<b>Total student activities</b>	<b>51,815</b>	<b>43,397</b>	<b>8,418</b>
Community services - supplies, materials and media	200	-	200
<b>Total Expenditures</b>	<b>5,068,337</b>	<b>4,886,819</b>	<b>181,518</b>
Net Change in Fund Balances	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Title VI-B IDEA Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Federal grants passed through the State of Alaska	\$ 4,783,606	\$ 4,283,748	\$ (499,858)
<b>Expenditures</b>			
Special education instruction:			
Certificated salaries	232,858	224,878	7,980
Noncertificated salaries	1,033,594	843,515	190,079
Employee benefits	1,065,969	799,646	266,323
Total special education instruction	2,332,421	1,868,039	464,382
Special education support services - students:			
Certificated salaries	288,565	307,563	(18,998)
Noncertificated salaries	598,977	670,550	(71,573)
Employee benefits	409,894	439,096	(29,202)
Professional and technical services	30,000	12,485	17,515
Other purchased services	18,000	10,000	8,000
Supplies, materials and media	516,795	378,358	138,437
Tuition	20,000	20,000	-
Equipment	42,730	42,729	1
Total special education support services - students	1,924,961	1,880,781	44,180
Support services - students:			
Certificated salaries	35,928	35,926	2
Noncertificated salaries	42,053	67,507	(25,454)
Employee benefits	45,315	54,712	(9,397)
Total support services - students	123,296	158,145	(34,849)
School administration:			
Certificated salaries	129,334	130,215	(881)
Employee benefits	41,223	41,951	(728)
Staff travel	5,000	1,320	3,680
Total school administration	175,557	173,486	2,071
District administration support services - indirect costs	227,371	203,297	24,074
<b>Total Expenditures</b>	<b>4,783,606</b>	<b>4,283,748</b>	<b>499,858</b>
Net Change in Fund Balances	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		-	
Fund Balance, end of year		<u>\$ -</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Learning Center Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Federal grants passed through the State of Alaska	\$ 618,212	\$ 581,909	\$ (36,303)
<b>Expenditures</b>			
Instruction:			
Certificated salaries	159,181	171,372	(12,191)
Noncertificated salaries	12,346	12,346	-
Employee benefits	29,658	30,263	(605)
Professional and technical services	96,245	95,326	919
Student travel	102,412	71,829	30,583
Supplies, materials and media	33,094	26,313	6,781
Total instruction	432,936	407,449	25,487
Support services - students:			
Certificated salaries	2,373	-	2,373
Employee benefits	411	-	411
Total support services - students	2,784	-	2,784
Support services - instruction - professional and technical services	9,000	9,000	-
School administration:			
Certificated salaries	56,824	54,611	2,213
Staff travel	720	-	720
Employee benefits	19,725	18,978	747
Total school administration	77,269	73,589	3,680
School administration support services:			
Noncertificated salaries	40,487	38,882	1,605
Employee benefits	25,961	24,963	998
Total school administration support services	66,448	63,845	2,603
District administration support services - indirect costs	29,775	28,026	1,749
Capital outlay - construction and facilities acquisition			
Professional and technical services	-	-	-
Supplies, materials and media	-	-	-
Total capital outlay - construction and facilities acquisition	-	-	-
<b>Total Expenditures</b>	<b>618,212</b>	<b>581,909</b>	<b>36,303</b>
Net Change in Fund Balances	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Title I-C Migrant Education Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Federal grants passed through the State of Alaska	\$ 3,033,681	\$ 2,703,781	\$ (329,900)
Local sources - other	-	750	750
<b>Total Revenues</b>	<b>3,033,681</b>	<b>2,704,531</b>	<b>(329,150)</b>
<b>Expenditures</b>			
Instruction:			
Certificated salaries	943,813	829,347	114,466
Noncertificated salaries	344,937	341,897	3,040
Employee benefits	617,895	593,916	23,979
Professional and technical services	269,631	190,519	79,112
Staff travel	1,500	679	821
Student travel	20,699	20,699	-
Utility services	16,300	10,600	5,700
Other purchased services	1,550	1,050	500
Supplies, materials and media	497,626	434,208	63,418
Other expenditures	18,379	68	18,311
<b>Total instruction</b>	<b>2,732,330</b>	<b>2,422,983</b>	<b>309,347</b>
Support services - students:			
Certificated salaries	106,950	105,957	993
Noncertificated salaries	1,848	-	1,848
Employee benefits	34,742	33,214	1,528
<b>Total support services - students</b>	<b>143,540</b>	<b>139,171</b>	<b>4,369</b>
District administration support services - indirect costs	146,111	130,222	15,889
Operations and maintenance of plant - utility services	11,700	11,405	295
<b>Total Expenditures</b>	<b>3,033,681</b>	<b>2,703,781</b>	<b>329,900</b>
Net Change in Fund Balances	<u>\$ -</u>	750	<u>\$ 750</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ 750</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Migrant Education Book Program Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Federal grants passed through the State of Alaska	\$ 24,000	\$ 24,000	\$ -
<b>Expenditures</b>			
Instruction - supplies, materials and media	24,000	24,000	-
Net Change in Fund Balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**CEIS IDEA Part B Title VI-B Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Federal grants passed through the State of Alaska	\$ 630,454	\$ 559,479	\$ (70,975)
<b>Expenditures</b>			
Special education instruction:			
Noncertificated salaries	37,907	63,410	(25,503)
Employee benefits	20,143	19,263	880
Total special education instruction	58,050	82,673	(24,623)
Support services - instruction:			
Certificated salaries	336,379	313,120	23,259
Noncertificated salaries	29,190	-	29,190
Employee benefits	176,470	136,740	39,730
Total support services - instruction	542,039	449,860	92,179
District administration support services - indirect costs	30,365	26,946	3,419
<b>Total Expenditures</b>	<b>630,454</b>	<b>559,479</b>	<b>70,975</b>
Net Change in Fund Balances	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**IDEA Part B Preschool Disabled Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Federal grants passed through the State of Alaska	\$ 212,261	\$ 172,897	\$ (39,364)
<b>Expenditures</b>			
Special education instruction:			
Noncertificated salaries	61,679	59,867	1,812
Employee benefits	62,577	62,572	5
Supplies, materials and media	17,000	7,949	9,051
Total special education instruction	141,256	130,388	10,868
Special education support services - students:			
Professional and technical services	2,200	-	2,200
Other purchased services	800	779	21
Supplies, materials and media	57,782	33,403	24,379
Total special education support services - students	60,782	34,182	26,600
District administration support services - indirect costs	10,223	8,327	1,896
<b>Total Expenditures</b>	<b>212,261</b>	<b>172,897</b>	<b>39,364</b>
Net Change in Fund Balances	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Student Health and Academic Achievement Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Federal grants passed through the State of Alaska	\$ 28,692	28,066	\$ (626)
<b>Expenditures</b>			
Instruction:			
Certificated salaries	4,450	4,450	-
Employee benefits	159	159	-
Supplies, materials and media	1,202	1,199	3
Total instruction	5,811	5,808	3
Support services - instruction:			
Employee benefits	18	-	18
Professional and technical services	9,999	9,999	-
Supplies, materials and media	12,864	12,259	605
Total support services - instruction	22,881	22,258	623
<b>Total Expenditures</b>	<b>28,692</b>	<b>28,066</b>	<b>626</b>
Net Change in Fund Balances	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Early Learning Pre-K Homeschool Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues - State of Alaska</b>	\$ 6,047	\$ 6,046	\$ (1)
<b>Expenditures</b>			
Instruction:			
Noncertificated salaries	3,147	3,146	1
Employee benefits	2,900	2,900	-
<b>Total Expenditures</b>	6,047	6,046	1
Net Change in Fund Balances	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Title IV-A Student Support and Academic Achievement Special Revenue Fund**

**Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Federal grants passed through the State of Alaska	\$ 880,075	\$ 593,083	\$ (286,992)
<b>Expenditures</b>			
Instruction:			
Certificated salaries	9,019	9,019	-
Noncertificated salaries	8,598	7,986	612
Employee benefits	13,562	11,255	2,307
Total instruction	31,179	28,260	2,919
Support services - students:			
Noncertificated salaries	42,477	42,187	290
Employee benefits	24,400	23,710	690
Professional and technical services	410,266	323,054	87,212
Total support services - students	477,143	388,951	88,192
Support services - instruction:			
Professional and technical services	226,259	109,616	116,643
Staff travel	1,200	34	1,166
Utility services	1,000	-	1,000
Supplies, materials and media	86,394	35,070	51,324
Other expenditures	11,950	-	11,950
Total support services - instruction	326,803	144,720	182,083
District administrative support services:			
Certificated salaries	2,460	2,484	(24)
Employee benefits	103	103	-
Indirect costs	42,387	28,565	13,822
Total district administration support services	44,950	31,152	13,798
<b>Total Expenditures</b>	<b>880,075</b>	<b>593,083</b>	<b>286,992</b>
Net Change in Fund Balances	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Title I-D Neglected Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Federal grants passed through the State of Alaska	\$ 90,872	\$ 77,130	\$ (13,742)
<b>Expenditures</b>			
Support services - students:			
Certificated salaries	42,660	46,347	(3,687)
Employee benefits	21,711	21,309	402
Professional and technical services	3,500	-	3,500
Staff travel	3,500	218	3,282
Supplies, materials, and media	15,124	5,541	9,583
Total support services students	86,495	73,415	13,080
District administration support services - indirect costs	4,377	3,715	662
<b>Total Expenditures</b>	<b>90,872</b>	<b>77,130</b>	<b>13,742</b>
Net Change in Fund Balances	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Comprehensive St Literacy Development Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Federal grants passed through the State of Alaska	\$ 450,570	\$ 247,228	\$ (203,342)
<b>Expenditures</b>			
Instruction:			
Certificated salaries	90,036	101,279	(11,243)
Noncertificated salaries	90,588	37,796	52,792
Employee benefits	70,488	25,138	45,350
Professional and technical services	80,000	800	79,200
Staff travel	1,926	-	1,926
Supplies, materials, and media	78,742	53,368	25,374
Total instruction	411,780	218,381	193,399
Support services - instruction:			
Certificated salaries	5,059	5,059	-
Employee benefits	1,033	1,033	-
Supplies, materials, and media	10,997	10,997	-
Total support services - instruction	17,089	17,089	-
District administration support services - indirect costs	21,701	11,758	9,943
<b>Total Expenditures</b>	<b>450,570</b>	<b>247,228</b>	<b>203,342</b>
Net Change in Fund Balances	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Title I-A School Improvement Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Federal grants passed through the State of Alaska	\$ 399,785	\$ 249,163	\$ (150,622)
<b>Expenditures</b>			
Instruction:			
Certificated salaries	80,587	68,260	12,327
Noncertificated salaries	76,556	38,907	37,649
Employee benefits	103,909	63,892	40,017
Professional and technical services	27,362	25,196	2,166
Staff travel	8,776	-	8,776
Supplies, materials, and media	65,967	31,493	34,474
Total instruction	363,157	227,748	135,409
Support services - instruction:			
Certificated salaries	13,387	5,429	7,958
Employee benefits	905	905	-
Staff travel	96	96	-
Supplies, materials, and media	2,985	2,985	-
Total support services - instruction	17,373	9,415	7,958
District administration support services - indirect costs	19,255	12,000	7,255
<b>Total Expenditures</b>	<b>399,785</b>	<b>249,163</b>	<b>150,622</b>
Net Change in Fund Balances	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**COVID Relief Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Federal grants passed through the State of Alaska	\$ 3,165,860	\$ 1,941,684	\$ (1,224,176)
<b>Expenditures</b>			
Instruction:			
Certificated salaries	363,445	159,918	203,527
Noncertificated salaries	37,371	20,364	17,007
Employee benefits	180,195	31,224	148,971
Professional and technical services	20,273	-	20,273
Staff travel	29,950	-	29,950
Utility services	500	-	500
Other purchased services	89,277	-	89,277
Supplies, materials and media	2,010,568	1,625,896	384,672
Equipment	13,000	-	13,000
Total instruction	2,744,579	1,837,402	907,177
Special education - instruction:			
Certificated salaries	21,856	-	21,856
Employee benefits	741	-	741
Total special education - instruction	22,597	-	22,597
Support services - students:			
Certificated salaries	15,015	3,593	11,422
Noncertificated salaries	-	-	-
Employee benefits	2,415	564	1,851
Total support services - students	17,430	4,157	13,273
School administration:			
Certificated salaries	2,773	5,712	(2,939)
Employee benefits	434	896	(462)
Total school administration	3,207	6,608	(3,401)
District administration:			
Noncertificated salaries	110,148	-	110,148
Employee benefits	74,439	-	74,439
Total district administration	184,587	-	184,587
District administration support services - indirect costs	151,851	93,517	58,334

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**COVID Relief Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual, continued**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Expenditures</b>			
Operations and maintenance of plant:			
Noncertificated salaries	\$ 12,752	\$ -	\$ 12,752
Employee benefits	1,197	-	1,197
Professional and technical services	10,755	-	10,755
<b>Total operations and maintenance of plant</b>	<b>24,704</b>	<b>-</b>	<b>24,704</b>
Student activities:			
Certificated salaries	7,896	-	7,896
Noncertificated salaries	5,922	-	5,922
Employee benefits	3,087	-	3,087
<b>Total student activities</b>	<b>16,905</b>	<b>-</b>	<b>16,905</b>
<b>Total Expenditures</b>	<b>3,165,860</b>	<b>1,941,684</b>	<b>1,224,176</b>
Net Change in Fund Balances	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**AK Statewide Virtual System Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

			Variance with
<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Final Budget
<b>Revenues</b>			
Federal grants passed through the State of Alaska	\$ 157,742	\$ 157,742	\$ -
<b>Expenditures</b>			
Instruction - supplies, materials, and media	157,742	157,742	-
Net Change in Fund Balances	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**FEMA Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Federal grants passed through the State of Alaska	\$ 156,687	\$ 85,054	\$ (71,633)
State of Alaska	52,229	28,351	(23,878)
<b>Total Revenues</b>	<b>208,916</b>	<b>113,405</b>	<b>(95,511)</b>
<b>Expenditures</b>			
Instruction - supplies, materials, and media	-	5,080	(5,080)
Special education instruction - supplies, materials, and media	-	380	(380)
Special education support services - students - supplies, materials, and media	50,000	555	49,445
Support services - students:			
Professional and technical services	25,000	10,260	14,740
Supplies, materials, and media	50,000	24,680	25,320
<b>Total support services - students</b>	<b>75,000</b>	<b>34,940</b>	<b>40,060</b>
School administration support services - supplies, materials, and media	10,000	21,670	(11,670)
District administration support services:			
Other purchased services	50,000	23,450	26,550
Supplies, materials, and media	8,916	642	8,274
<b>Total district administration support services</b>	<b>58,916</b>	<b>24,092</b>	<b>34,824</b>
Operations and maintenance of plant - supplies, materials, and media	15,000	26,688	(11,688)
<b>Total Expenditures</b>	<b>208,916</b>	<b>113,405</b>	<b>95,511</b>
Net Change in Fund Balances	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**  
**Title III, English Language Immigrant Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Federal grants passed through the State of Alaska	\$ 15,000	\$ 11,243	\$ (3,757)
<b>Expenditures</b>			
Support services - instruction - supplies, materials, and media	14,278	10,702	3,576
District administration support services - indirect costs	722	541	181
<b>Total Expenditures</b>	15,000	11,243	3,757
Net Change in Fund Balances	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**COVID-19 Contact Tracing Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Federal grants passed through the State of Alaska	\$ 103,950	\$ 82,307	\$ (21,643)
<b>Expenditures</b>			
Support services - students:			
Certificated salaries	91,772	75,141	16,631
Noncertificated salaries	3,488	888	2,600
Employee benefits	3,683	2,314	1,369
Total support services - students	98,943	78,343	20,600
District administration support services - indirect costs	5,007	3,964	1,043
<b>Total Expenditures</b>	<b>103,950</b>	<b>82,307</b>	<b>21,643</b>
Net Change in Fund Balances	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**CARES Act Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Federal grants passed through the State of Alaska	\$ 3,801,773	\$ 3,754,027	\$ (47,746)
<b>Expenditures</b>			
Instruction:			
Certificated salaries	1,390,681	1,154,931	235,750
Noncertificated salaries	6,972	6,972	-
Employee benefits	644,685	556,421	88,264
Staff travel	11,670	-	11,670
Supplies, materials, and media	630,528	1,237,417	(606,889)
Total instruction	2,684,536	2,955,741	(271,205)
Special education instruction:			
Certificated salaries	49,806	41,582	8,224
Employee benefits	28,791	25,673	3,118
Total special education instruction	78,597	67,255	11,342
Special education support services - students - supplies, materials, and media	105	105	-
Support services - students:			
Certificated salaries	197,320	180,841	16,479
Employee benefits	72,098	59,985	12,113
Professional and technical services	20,000	-	20,000
Staff travel	50	50	-
Other purchased services	2,211	2,211	-
Supplies, materials, and media	11,030	6,223	4,807
Total support services - students	302,709	249,310	53,399
Support services - instruction:			
Certificated salaries	12,600	-	12,600
Supplies, materials, and media	102,193	1,980	100,213
Total support services - instruction	114,793	1,980	112,813
School administration support services - staff travel	280	280	-
District administrative support services:			
Utility services	200	-	200
Other purchased services	1,500	-	1,500
Supplies, materials, and media	2,850	2,850	-
Indirect costs	183,105	180,805	2,300
Total district administration support services	187,655	183,655	4,000
Operations and maintenance of plant:			
Noncertificated salaries	212,519	125,369	87,150
Employee benefits	133,202	91,429	41,773
Supplies, materials, and media	87,377	78,903	8,474
Total operations and maintenance of plant	433,098	295,701	137,397
<b>Total Expenditures</b>	<b>3,801,773</b>	<b>3,754,027</b>	<b>47,746</b>
Net Change in Fund Balances	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**WHS AF JROTC Grant Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

			Variance with
<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Final Budget
<b>Revenues - federal direct</b>	\$ 3,790	\$ 4,893	\$ 1,103
<b>Expenditures</b>			
Support services - instruction:			
Student travel	365	-	365
Supplies, materials, and media	3,425	4,893	(1,468)
<b>Total Expenditures</b>	3,790	4,893	(1,103)
Net Change in Fund Balances	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Indian Education Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues - federal direct education grants</b>	\$ 682,297	\$ 638,599	\$ (43,698)
<b>Expenditures</b>			
Instruction:			
Certificated salaries	320,320	320,320	-
Noncertificated salaries	39,713	39,712	1
Employee benefits	167,553	166,773	780
Professional and technical services	34,381	29,400	4,981
Staff travel	750	87	663
Utility service	2,340	1,252	1,088
Other purchased services	2,159	893	1,266
Supplies, materials and media	70,343	38,600	31,743
<b>Total instruction</b>	<b>637,559</b>	<b>597,037</b>	<b>40,522</b>
District administration support services:			
Noncertificated salaries	6,319	6,319	-
Employee benefits	5,287	5,250	37
Indirect costs	33,132	29,993	3,139
<b>Total district administration support services</b>	<b>44,738</b>	<b>41,562</b>	<b>3,176</b>
<b>Total Expenditures</b>	<b>682,297</b>	<b>638,599</b>	<b>43,698</b>
<b>Net Change in Fund Balances</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>
<b>Fund Balance, beginning of year</b>		<b>-</b>	
<b>Fund Balance, end of year</b>		<b>\$ -</b>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Contributions from Local Sources Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Local sources - other	\$ 122,951	\$ 141,597	\$ 18,646
Federal - passed through other intermediate agencies	32,091	-	(32,091)
<b>Total Revenues</b>	<b>155,042</b>	<b>141,597</b>	<b>(13,445)</b>
<b>Expenditures</b>			
Instruction:			
Certificated salaries	1,441	1,441	-
Employee benefits	60	60	-
Supplies, materials and media	14,963	14,963	-
<b>Total instruction</b>	<b>16,464</b>	<b>16,464</b>	<b>-</b>
Special education instruction - supplies, materials and media	37	37	-
Support services - students:			
Certificated salaries	17,803	17,803	-
Employee benefits	1,839	734	1,105
Supplies, materials and media	4,449	4,438	11
<b>Total support services - students</b>	<b>24,091</b>	<b>22,975</b>	<b>1,116</b>
Support services - instruction:			
Noncertificated salaries	-	720	(720)
Employee benefits	-	57	(57)
Professional and technical services	5,000	5,000	-
Utility services	8,000	4,000	4,000
Supplies, materials and media	56,440	34,754	21,686
Other expenditures	150	150	-
<b>Total support services - instruction</b>	<b>69,590</b>	<b>44,681</b>	<b>24,909</b>
Operations and maintenance of plant:			
Noncertificated salaries	-	2,044	(2,044)
Employee benefits	-	639	(639)
Other purchased services	6,896	6,896	-
Supplies, materials and media	2,100	1,990	110
Equipment	19,524	17,449	2,075
<b>Total operations and maintenance of plant</b>	<b>28,520</b>	<b>29,018</b>	<b>(498)</b>
Student activities:			
Supplies, materials and media	10,340	10,340	-
Other expenditures	6,000	-	6,000
<b>Total student activities</b>	<b>16,340</b>	<b>10,340</b>	<b>6,000</b>
<b>Total Expenditures</b>	<b>155,042</b>	<b>123,515</b>	<b>31,527</b>
Excess of revenues over expenditures	-	18,082	18,082
<b>Other Financing Sources - transfers in</b>	<b>-</b>	<b>4,290</b>	<b>(4,290)</b>
<b>Net Change in Fund Balances</b>	<b>\$ -</b>	<b>22,372</b>	<b>\$ 22,372</b>
<b>Fund Balance, beginning of year</b>		<b>-</b>	
<b>Fund Balance, end of year</b>		<b>\$ 22,372</b>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Trapper Creek Community Enrichment Special Revenue Fund**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balance**

<i>Year Ended June 30, 2021</i>	<i>Actual</i>
<b>Revenues - local sources - other</b>	<b>\$ 6,100</b>
Net Change in Fund Balances	6,100
<b>Fund Balance, beginning of year</b>	<b>-</b>
<b>Fund Balance, end of year</b>	<b>\$ 6,100</b>

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Talkeetna Community Enrichment Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues - local sources - other</b>	\$ 23,206	\$ 15,539	\$ (7,667)
<b>Expenditures</b>			
Community services:			
Noncertificated salaries	12,698	9,373	3,325
Employee benefits	3,984	1,930	2,054
Supplies, materials and media	4,872	2,224	2,648
Other purchased services	1,202	-	1,202
Other expenditures	450	-	450
<b>Total Expenditures</b>	<b>23,206</b>	<b>13,527</b>	<b>9,679</b>
Net Change in Fund Balances	<u>\$ -</u>	2,012	<u>\$ 2,012</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ 2,012</u>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Knik Tribal Council - Local Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

			Variance with
<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Final Budget
<b>Revenues - federal sources passed through intermediate agencies</b>	\$ 27,067	\$ 27,067	\$ -
<b>Expenditures</b>			
Instruction:			
Certificated salaries	15,989	15,989	-
Noncertificated salaries	3,969	3,969	-
Employee benefits	3,769	3,769	-
Supplies, materials and media	68	68	-
<b>Total instruction</b>	<b>23,795</b>	<b>23,795</b>	<b>-</b>
Student activities:			
Certificated salaries	1,809	1,809	-
Employee benefits	259	259	-
<b>Total student activities</b>	<b>2,068</b>	<b>2,068</b>	<b>-</b>
District administration support services - indirect costs	1,204	1,204	-
<b>Total Expenditures</b>	<b>27,067</b>	<b>27,067</b>	<b>-</b>
Net Change in Fund Balances	\$ -	-	\$ -
Fund Balance, beginning of year		-	
Fund Balance, end of year		\$ -	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Cultural Program Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues - local sources - other</b>	\$ 5,032	\$ 7,728	\$ 2,696
<b>Expenditures</b>			
Student activities:			
Certificated salaries	3,241	3,241	-
Employee benefits	464	464	-
Other expenditures	5	5	-
Supplies, materials and media	1,322	-	1,322
<b>Total Expenditures</b>	5,032	3,710	1,322
 Net Change in Fund Balances	 \$ -	 4,018	 \$ 4,018
 Fund Balance, beginning of year		 5,032	
 Fund Balance, end of year		 \$ 9,050	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Student Activities Special Revenue Fund**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balance**

*Year Ended June 30, 2021*

<b>Revenues - local sources - other</b>	<b>\$ 1,300,414</b>
<b>Expenditures</b>	
Student activities:	
Student travel	57,407
Utility services	4,953
Other purchased services	129,896
Supplies, materials and media	1,017,741
Other expenditures	337,704
<b>Total Expenditures</b>	<b>1,547,701</b>
Deficiency of revenues over expenditures	(247,287)
<b>Other Financing Sources - transfers in</b>	<b>40,000</b>
Net Change in Fund Balances	(207,287)
<b>Fund Balance, beginning of year, as restated</b>	<b>2,940,835</b>
<b>Fund Balance, end of year</b>	<b>\$ 2,733,548</b>

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**River Ranger State Farm Special Revenue Fund**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balance**

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*Year Ended June 30, 2021*

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<b>Revenues</b> - local sources - other	\$ 6,091
Net Change in Fund Balances	6,091
<b>Fund Balance</b> , beginning of year	-
<b>Fund Balance</b> , end of year	\$ 6,091

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**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**  
**Mat-Su Construction and Trade Special Revenue Fund**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balance**

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*Year Ended June 30, 2021*

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**Expenditures**

## Instruction:

Other purchased services	(1,950)
Supplies, materials and media	(5,753)
Other expenditures	10

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<b>Total Expenditures</b>	<b>(7,693)</b>
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<b>Other Financing Sources - transfers in</b>	<b>217,386</b>
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Net Change in Fund Balances	225,079
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<b>Fund Balance, beginning of year</b>	<b>-</b>
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<b>Fund Balance, end of year</b>	<b>\$ 225,079</b>
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**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**WL Community Enrichment Special Revenue Fund**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balance**

*Year Ended June 30, 2021*

<b>Revenues - local sources - other</b>	<b>\$ 93</b>
Net Change in Fund Balances	93
<b>Fund Balance, beginning of year</b>	<b>-</b>
<b>Fund Balance, end of year</b>	<b>\$ 93</b>

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Mat-Su Health Foundation Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

			Variance with
<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Final Budget
<b>Revenues - local sources - other</b>	<b>\$ 473,039</b>	<b>\$ 98,480</b>	<b>\$ (374,559)</b>
<b>Expenditures</b>			
Instruction:			
Supplies, materials, and media	18,478	14,192	4,286
Equipment	-	4,265	(4,265)
<b>Total instruction</b>	<b>18,478</b>	<b>18,457</b>	<b>21</b>
<b>Support services students - professional and technical services</b>	<b>10,000</b>	<b>7,386</b>	<b>2,614</b>
Support services - instruction:			
Certificated salaries	-	175	(175)
Employee benefits	-	7	(7)
Professional and technical services	1,723	1,723	-
Utility services	350,872	3,226	347,646
Supplies, materials and media	76,966	55,371	21,595
<b>Total support services - instruction</b>	<b>429,561</b>	<b>60,502</b>	<b>369,059</b>
<b>Student activities - supplies, materials and media</b>	<b>15,000</b>	<b>-</b>	<b>15,000</b>
<b>Total Expenditures</b>	<b>473,039</b>	<b>86,345</b>	<b>386,694</b>
<b>Net Change in Fund Balances</b>	<b>\$ -</b>	<b>12,135</b>	<b>\$ 12,135</b>
<b>Fund Balance, beginning of year</b>		<b>-</b>	
<b>Fund Balance, end of year</b>		<b>\$ 12,135</b>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Community Impact Special Revenue Fund**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balance**

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*Year Ended June 30, 2021*

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<b>Revenues</b> - local sources - other	\$ 926
Net Change in Fund Balances	926
<b>Fund Balance</b> , beginning of year	-
<b>Fund Balance</b> , end of year	\$ 926

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**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Vending Machine Special Revenue Fund**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balance**

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*Year Ended June 30, 2021*

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<b>Revenues - local sources</b>	<b>\$ (126)</b>
Net Change in Fund Balances	(126)
<b>Fund Balance, beginning of year</b>	<b>126</b>
<b>Fund Balance, end of year</b>	<b>\$ -</b>

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**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**RJ Jones Memorial Fund Special Revenue Fund**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balance**

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*Year Ended June 30, 2021*

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<b>Other Financing Uses - transfers out</b>	\$ (4,290)
Net Change in Fund Balances	(4,290)
<b>Fund Balance, beginning of year</b>	4,290
<b>Fund Balance, end of year</b>	\$ -

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**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Renewal and Replacement Special Revenue Fund**

**Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Expenditures</b>			
Instruction:			
Certificated salaries	\$ 69,594	\$ 54,738	\$ 14,856
Employee benefits	10,751	8,101	2,650
Supplies, materials and media	1,303,172	1,277,134	26,038
<b>Total instruction</b>	<b>1,383,517</b>	<b>1,339,973</b>	<b>43,544</b>
<b>Support services - students - employee benefits</b>	<b>-</b>	<b>-</b>	<b>-</b>
Operations and maintenance of plant:			
Certificated salaries	-	22,459	(22,459)
Employee benefits	-	2,080	(2,080)
Professional and technical services	22,637	12,351	10,286
Other purchased services	1,458,231	932,644	525,587
Supplies, materials and media	540,425	169,035	371,390
Equipment	6,377	10,104	(3,727)
<b>Total operations and maintenance of plant</b>	<b>2,027,670</b>	<b>1,148,673</b>	<b>878,997</b>
<b>Total Expenditures</b>	<b>3,411,187</b>	<b>2,488,646</b>	<b>922,541</b>
<b>Deficiency of Revenues over Expenditures</b>	<b>(3,411,187)</b>	<b>(2,488,646)</b>	<b>922,541</b>
<b>Other Financing Sources - transfers in</b>	<b>3,411,187</b>	<b>3,411,187</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>\$ -</b>	<b>922,541</b>	<b>\$ 922,541</b>
<b>Fund Balance, beginning of year</b>		<b>-</b>	
<b>Fund Balance, end of year</b>		<b>\$ 922,541</b>	

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Disaster Special Revenue Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2021</i>	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
State of Alaska	\$ -	\$ 11,918	\$ 11,918
Local sources - other	50,000	-	(50,000)
Federal sources - other	-	35,753	35,753
<b>Total Revenues</b>	<b>50,000</b>	<b>47,671</b>	<b>(2,329)</b>
<b>Expenditures</b>			
Instruction - equipment	48,000	47,671	329
Operations and maintenance of plant - other purchased services	2,000	-	2,000
<b>Total Expenditures</b>	<b>50,000</b>	<b>47,671</b>	<b>2,329</b>
Net Change in Fund Balances	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance, beginning of year		<u>-</u>	
Fund Balance, end of year		<u>\$ -</u>	

## Capital Projects Fund

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**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Capital Improvement Capital Project Fund**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balance**

*Year Ended June 30, 2021*

<b>Other Financing Uses - transfers out</b>	<b>\$ (3,736,478)</b>
<b>Net Change in Fund Balances</b>	<b>(3,736,478)</b>
<b>Fund Balance, beginning of year</b>	<b>3,736,478</b>
<b>Fund Balance, end of year</b>	<b>\$ -</b>

## Debt Service Fund

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**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Debt Service Fund**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balance**

*Year Ended June 30, 2021*

<b>Expenditures</b>	
Debt service:	
Principal	\$ 161,787
Interest	231,513
<b>Total Expenditures</b>	<b>393,300</b>
<b>Other Financing Sources - transfers in</b>	<b>393,600</b>
<b>Net Change in Fund Balances</b>	<b>300</b>
<b>Fund Balance, beginning of year</b>	<b>786,601</b>
<b>Fund Balance, end of year</b>	<b>\$ 786,901</b>

## Proprietary Funds

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**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**  
**Mat-Su Construction Trade Nonmajor Enterprise Fund**  
**Statement of Revenues,**  
**Expenses and Changes in Net Position**

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*Year Ended June 30, 2021*

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**Other Financing Uses**

Transfers out	\$ (217,386)
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Change in Net Position	(217,386)
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Net Position, beginning of year	217,386
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Net Position, end of year	\$ -
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**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Mat-Su Construction Trade Nonmajor Enterprise Fund**  
**Statement of Cash Flows**

*Year Ended June 30, 2021*

**Cash Flows from Operating Activities**

Receipts from customers	\$ 10,630
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**Cash Flows for Noncapital Financing Activities**

Transfers out	(217,386)
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Net decrease in cash	(206,756)
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Cash, beginning of year	206,756
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Cash, end of year	\$ -
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**Reconciliation of Operating Income from Net**

**Cash Flows from Operating Activities**

Operating income	\$ -
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Adjustments to reconcile operating income from net  
cash flows from operating activities:

Decrease in prepaid items	2,000
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Decrease in inventory	8,630
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<b>Net Cash Flows from Operating Activities</b>	<b>\$ 10,630</b>
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**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**  
**Workers' Compensation Self-Insurance Internal Service Fund**  
**Statements of Net Position**

<i>June 30,</i>	2021	2020
<b>Assets</b>		
Cash	\$ 2,232,286	\$ 1,775,664
Accounts receivable	34,981	-
<b>Total Assets</b>	<b>\$ 2,267,267</b>	<b>\$ 1,775,664</b>
<b>Liabilities and Net Position</b>		
<b>Liabilities</b>		
Accounts payable	\$ 16,975	\$ 7,341
Due to other funds	1,480,792	905,781
Claims payable	769,500	862,542
<b>Total Liabilities</b>	<b>2,267,267</b>	<b>1,775,664</b>
<b>Net Position</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 2,267,267</b>	<b>\$ 1,775,664</b>

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Workers' Compensation Self-Insurance Internal Service Fund**  
**Statements of Revenues, Expenses and**  
**Changes in Net Position**

<i>Years Ended June 30,</i>	2021	2020
<b>Operating Revenues - interfund charges</b>	\$ 1,375,246	\$1,928,139
<b>Operating Expenses</b>		
District administration support services:		
Claims expense	1,165,753	1,741,131
General and administrative	209,493	194,870
<b>Total Operating Expenses</b>	1,375,246	1,936,001
Operating loss	-	(7,862)
<b>Nonoperating Revenue - interest income</b>	-	7,862
Change in Net Position	-	-
<b>Net Position, beginning of year</b>	-	-
<b>Net Position, end of year</b>	\$ -	\$ -

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**  
**Workers' Compensation Self-Insurance Internal Service Fund**  
**Statements of Cash Flows**

<i>Years Ended June 30,</i>	2021	2020
<b>Cash Flows from (for) Operating Activities</b>		
Receipts from interfund charges	\$ 1,340,265	\$1,928,139
Payments to suppliers	(1,458,654)	(2,444,573)
<b>Net Cash Flows for Operating Activities</b>	<b>(118,389)</b>	<b>(516,434)</b>
<b>Cash Flows from (for) Noncapital Financing Activities</b>		
Increase (decrease) in due from other funds	575,011	(2,696,320)
<b>Cash Flows from Investing Activities</b>		
Interest received	-	7,862
<b>Net increase (decrease) in cash</b>	<b>456,622</b>	<b>(3,204,892)</b>
<b>Cash, beginning of year</b>	<b>1,775,664</b>	<b>4,980,556</b>
<b>Cash, end of year</b>	<b>\$ 2,232,286</b>	<b>\$1,775,664</b>
<b>Reconciliation of Operating Loss from Net Cash Flows for Operating Activities</b>		
Operating loss	\$ -	\$ (7,862)
Adjustments to reconcile operating loss from net cash flows for operating activities:		
Increase in accounts receivable	(34,981)	-
Increase (decrease) in accounts payable	9,634	(2,959)
Decrease in claims payable	(93,042)	(505,613)
<b>Net Cash Flows for Operating Activities</b>	<b>\$ (118,389)</b>	<b>\$ (516,434)</b>

## **Schedule of Compliance AS 14.17.505**

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**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Schedule of Compliance - AS 14.17.505**  
**Year Ended June 30, 2021**

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Total fund balance - School Operating Fund	\$ 20,741,263
less exemptions per 4 AAC 09.160(a):	
Inventory	1,547,606
Prepaid items	4,899,613
Reserve for correspondence program	3,612,995
Self-insurance	500,000
	<hr/>
Fund balance subject to 10% limitation	<u>\$ 10,181,049</u>

Nonexempt fund balance as a percentage of current year expenditures:

<u>Fund balance subject to limitation</u>	\$ 10,181,049	=	<u>3.982%</u>
Current year expenditures	\$ 255,679,998		

**Note 1. Waiver of 10% Fund Limitation**

On March 11, 2020, a Public Health Disaster Emergency was declared under AS 26.23.020. During fiscal year 2020, the State of Alaska issued notice over 14.17.505 and 4 AAC 09.160. Requirement that School Districts retain only 10% of their operating funds for the following year to be suspended through July 1, 2020. Subsequently, the State of Alaska Legislature with passage of House Bill 76 moved to extend the waiver of 10% fund compliance through June 30, 2025. The District has elected to present this schedule.

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Schedule of Expenditures of Federal Awards**  
**for the Year Ended June 30, 2021**

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal Assistance Listing Number	Pass - Through Entity Identifying Number	Provided to Subre- cipients	Total Federal Expend- itures
<b>U.S. Department of Agriculture</b>				
Child Nutrition Cluster:				
Passed through the State of Alaska,				
Department of Education and Early Development:				
National School Lunch Program - Commodities	10.555	03301	\$ -	\$ 286,134
National School Lunch Program - Emergency Operating Costs	10.555	03301	-	178,993
Total CFDA 10.555 National School Lunch Program			-	465,127
Summer Food Service Program for Children	10.559	03301	-	6,351,712
COVID-19- Summer Food Service Program for Children	10.559	03301	-	939,648
Total CFDA 10.559 Summer Food Service Program for Children			-	7,291,360
Child Nutrition Discretionary Grants Limited Availability NSLP Equipment Assistance Grant	10.579	NS 21.MSSD.01	-	11,248
Total Child Nutrition Cluster			-	7,767,735
Passed through the State of Alaska,				
Department of Education and Early Development:				
Child and Adult Care Food Program	10.558	03301	-	550,955
COVID-19- Child and Adult Care Food Program	10.558	03301	-	5,176
Child and Adult Care Food Program - Emergency Operating Costs	10.558	03301	-	9,639
Total CFDA 10.558 Child and Adult Care Food Program			-	565,770
State Administrative Expenses for Child Nutrition	10.560	FD 21.MSSD.01	-	21,815
<b>Total U.S. Department of Agriculture</b>			-	8,355,320
<b>U.S. Department of Education</b>				
Passed through the State of Alaska,				
Department of Education and Early Development:				
Title I Grants to Local Educational Agencies:				
Title I-A Consolidated Administration	84.010	IP 21.MSSD.01	-	354,646
Title I-A Basic	84.010	IP 21.MSSD.01	-	4,886,819
Title I-A School Improvement 1003a	84.010	SI 21.MSSD.01	-	249,163
Title I-D Neglected & Delinquent	84.010	ND 21.MSSD.01	-	77,130
Total for CFDA 84.010 Title I Grants to Local Educational Agencies			-	5,567,758

*The accompanying notes are an integral part of this schedule.*

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Schedule of Expenditures of Federal Awards, continued**  
**for the Year Ended June 30, 2021**

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal Assistance Listing Number	Pass - Through Entity Identifying Number	Provided to Subre- cipients	Total Federal Expend- itures
<b>U.S. Department of Education, continued</b>				
Passed through the State of Alaska,				
Department of Education and Early Development, continued:				
Migrant Education State Grant Program:				
Title I-C Migrant Education	84.011	IP 21.MSSD.01	\$ -	\$ 2,703,781
Title I-C Consolidated Administration	84.011	IP 21.MSSD.01	-	601,681
Migrant Education Book	84.011	MB 20.MSSD.01	-	24,000
Total for CFDA 84.011 Migrant Education State Grant Program			-	3,329,462
Title I State Agency Program for Neglected and Delinquent Children and Youth	84.013	IP 21.MSSD.01	-	37,034
Special Education Cluster (IDEA):				
Special Education Grants to States:				
IDEA Part B Title VI-B Reg.	84.027	SE 21.MSSD.01	-	4,283,748
CEIS - IDEA Part B Title VI-B	84.027	SE 21.MSSD.01	-	559,479
Total for CFDA 84.027 Special Education Grants to States			-	4,843,227
Special Education Preschool Grants - Special Education 619	84.173	SE 21.MSSD.01	-	172,897
Total Special Education Cluster (IDEA)			-	5,016,124
Career and Technical Education - Basic Grants to States - Carl Perkins Basic	84.048	EK 21.MSSD.01	-	491,911
Education for Homeless Children and Youth - McKinney-Vento Homeless	84.196	FR 21.MSSD.01	-	43,787
Twenty-First Century Community Learning Centers - Alaska Community Learning Center Program	84.287C	AC 21.MSSD.01	-	581,909
Supporting Effective Instruction State Grants:				
Title II-A Teacher & Principal Training and Recruitment	84.367	IP 21.MSSD.01	-	538,354
Title II-A Consolidated Administration	84.367	IP 21.MSSD.01	-	838,470
Total for CFDA 84.367 Supporting Effective Instruction State Grants			-	1,376,824

*The accompanying notes are an integral part of this schedule.*

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Schedule of Expenditures of Federal Awards, continued**  
**for the Year Ended June 30, 2021**

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal Assistance Listing Number	Pass - Through Entity Identifying Number	Provided to Subre- cipients	Total Federal Expend- itures
<b>U.S. Department of Education, continued</b>				
Passed through the State of Alaska, Department of Education and Early Development, continued:				
Comprehensive Literacy Development	84.371	AL 20.MSSD.01	\$ -	\$ 14,780
Comprehensive Literacy Development	84.371C	AL 21.MSSD.01	-	232,448
Total for CFDA 84.371 Comprehensive Literacy Development			-	247,228
Student Support and Academic Enrichment Program	84.424A	IP 21.MSSD.01	-	593,083
English Language Acquisition State Grants -				
Title III-A, English Language Acquisition	84.365	IP 21.MSSD.01	-	31,988
Title III-A, Consolidated Administration	84.365	IP 21.MSSD.01	-	1,058
Title III-A, Language Acquisition	84.365A	LA 21.MSSD.01	-	11,243
Title III-A, Staff Development	84.365	SD 21.MSSD.01	-	1,797
Total for CFDA 84.365 English Language Acquisition State Grants			-	46,086
COVID-19 Education Stabilization Fund -				
Elementary and Secondary School Emergency- Relief II - CRRSA Act	84.425D	CA 21.MSSD.01	-	1,941,684
Elementary and Secondary School- Emergency Relief - CARES Act	84.425D	ER 21.MSSD.01	-	3,754,027
Total for CFDA 84.425 Education Stabilization Fund			-	5,695,711
Direct - Indian Education Grants to Local Educational Agencies	84.060A		-	638,599
<b>Total U.S. Department of Education</b>			-	<b>23,665,516</b>
<b>U.S. Department of Health and Human Services</b>				
Passed through the State of Alaska, Department of Education and Early Development:				
Epidemiology and Laboratory Capacity for Infectious Disease COVID-19 Contract Tracing	93.323	CV 21.MSSD.01	-	82,307
Improving Student Health and Academic Achievement through Nutrition, Physical Activity and the Management of Chronic Conditions in Schools CDCP HEALTH & WELLNESS	93.981	CD 21.MSSD.01	-	28,066
Passed through Knik Tribal Substance Abuse and Mental Health Services Projects of Regional and National Significance:				
Knik Program Extended Day Program	93.243	H79SP090992	-	24,999
<b>Total U.S. Department of Health and Human Services</b>			-	<b>135,372</b>

*The accompanying notes are an integral part of this schedule.*

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**  
**Schedule of Expenditures of Federal Awards, continued**  
**for the Year Ended June 30, 2021**

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal Assistance Listing Number	Pass - Through Entity Identifying Number	Provided to Subre- cipients	Total Federal Expend- itures
<b>U.S Department of Interior</b>				
Passed through Knik Tribal				
Compact Funds - Knik Program NYO	15.U01	15.PL102-477	\$ -	\$ 2,068
<b>U.S Department of the Treasury</b>				
Passed through the State of Alaska,				
Department of Education and Early Development:				
Coronavirus Relief Fund				
AK Statewide Virtual System	21.019	VI 21.MSSD.01	-	157,742
<b>U.S Department of Homeland Security</b>				
Passed through the State of Alaska,				
State of Alaska Department of Military and Veteran Affairs				
Disaster Grants - Public Assistance				
(Presidentially Declared Disasters)	97.036	DR-4533-AK	-	85,054
Passed through the Matanuska-Susitna Borough				
Disaster Grants - Public Assistance				
(Presidentially Declared Disasters) - 2018 Cook Inlet Earthquake	97.036	DR-4413-AK	-	35,753
Total for CFDA 97.036 Disaster Grants - Public Assistance (Presidentially Declared Disasters)			-	120,807
<b>Total U.S. Department of Homeland Security</b>			-	120,807
<b>Total Expenditures of Federal Awards</b>			\$ -	\$ 32,436,825

*The accompanying notes are an integral part of this schedule.*

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Notes to Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2021**

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**1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Matanuska-Susitna Borough School District under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Matanuska-Susitna Borough School District, it is not intended to and does not present the financial position, changes in net position or cash flows of Matanuska-Susitna Borough School District.

**2. Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**3. Indirect Cost Rate**

Matanuska-Susitna Borough School District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**Matanuska-Susitna Borough School District**  
(A Component Unit of the Matanuska-Susitna Borough)

**Schedule of State Financial Assistance  
for the Year Ended June 30, 2021**

State Agency/Program Title	Award Number	Total Award Amount	Passed Through to Subre- cipients	State Expenditures
<b>Department of Education and Early Development</b>				
Major programs:				
Public School Funding	FY21	\$ 173,584,717	\$ -	\$ 173,584,717
Student Transportation	FY21	14,567,596	-	14,567,596
Total major programs		188,152,313	-	188,152,313
Nonmajor programs:				
Alaska Early Learning Pre K Program	PE 21.MSSD.01	149,982	-	6,046
Youth in Detention	EY 21 MSSD.01	103,670	-	103,670
Suicide Awareness, and Prevention	SP 21.MSSD.01	27,000	-	22,590
House Bill 39 - Dividend Raffle	FY21	64,408	-	64,408
Substance Misuse and Addiction	AP 21.MSSD.01	21,954	-	14,550
Alternative Schools Grant	BH 21.MSSD.01	77,250	-	71,888
Total nonmajor programs		444,264	-	283,152
<b>Total Department of Education and Early Development</b>		188,596,577	-	188,435,465
<b>Department of Administration</b>				
Major programs:				
PERS on behalf	FY21	17,841,542	-	17,841,542
TRS on behalf	FY21	3,022,315	-	3,022,315
<b>Total Department of Administration</b>		20,863,857	-	20,863,857
<b>Department of Commerce, Community, and Economic Development</b>				
Nonmajor programs:				
Leg Grant- National Math & Science Initiative NMSI	15-DC-435	500,000	-	42,889
Nutritional Alaska Foods for Schools	15-NAFS-378	254,857	-	201,173
<b>Total Department of Commerce, Community, and Economic Development</b>		754,857	-	244,062
<b>Department of Labor and Workforce Development</b>				
Nonmajor program -				
Division of Vocational Rehabilitation	AFP 1701 1761 1796 1836 1873	80,983	-	80,983
<b>Alaska Department of Military and Veteran Affairs</b>				
Nonmajor program -				
Division of Homeland Security & Emergency Management				
2018 Cook Inlet Earthquake	AK-4533DR	39,627	-	28,351
2018 Cook Inlet Earthquake	AK-4413DR	11,918	-	11,918
Total Department of Military and Veteran Affairs		51,545	-	40,269
<b>Department of Health and Social Services</b>				
Nonmajor program -				
Foster Care Transportation	FY21	116,433	-	116,433
<b>Total State Financial Assistance</b>		\$ 210,464,252	\$ -	\$ 209,781,069

*The accompanying notes are an integral part of this schedule.*

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Notes to Schedule of State Financial Assistance**  
**Year Ended June 30, 2021**

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**1. Basis of Presentation**

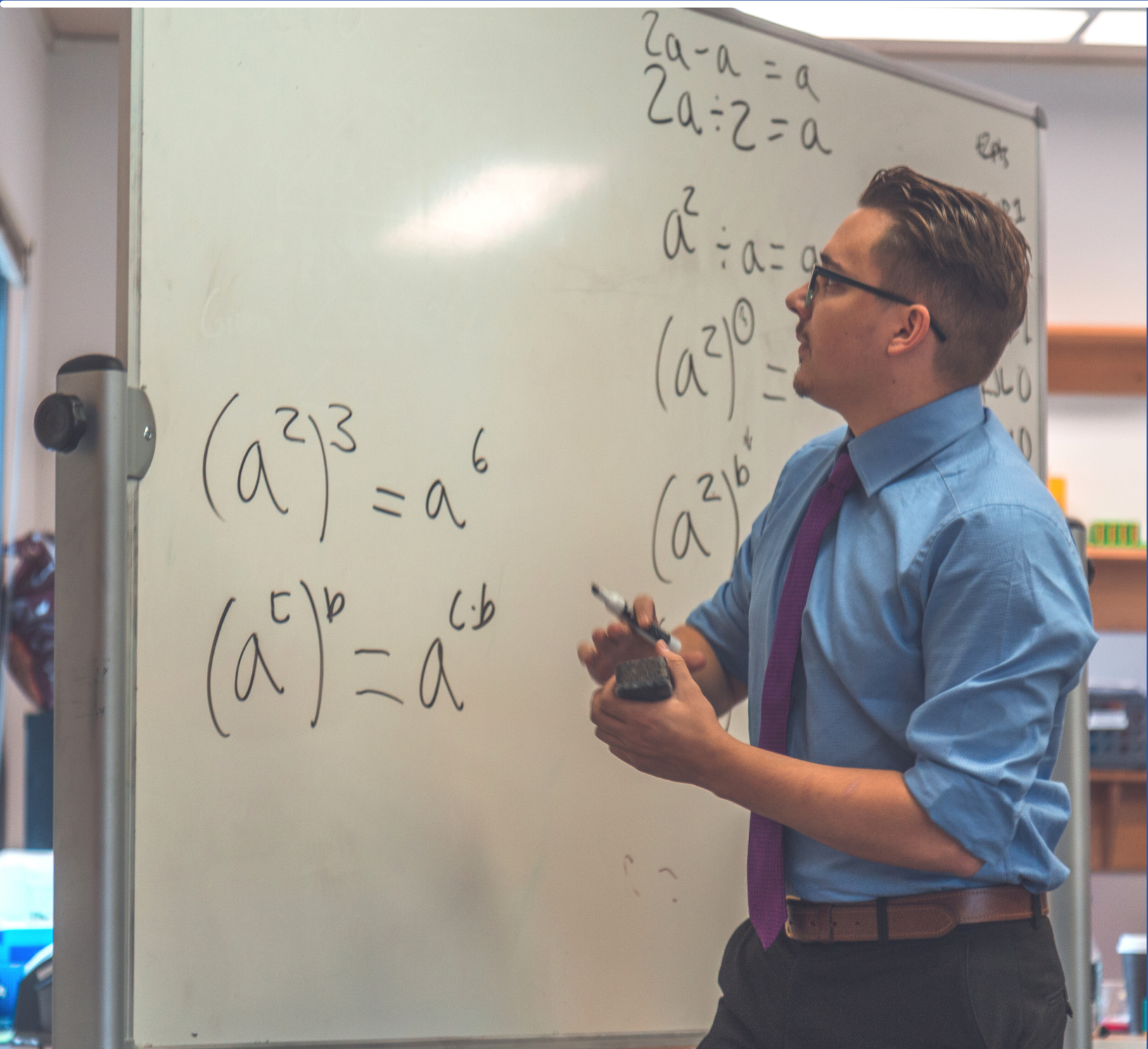
The accompanying schedule of state financial assistance (the “Schedule”) includes the state award activity of Matanuska-Susitna Borough School District under programs of the State of Alaska for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*. Because the Schedule presents only a selected portion of the operations of Matanuska-Susitna Borough School District, it is not intended to and does not present the financial position, changes in net position or cash flows of Matanuska-Susitna Borough School District.

**2. Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the requirements of the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*.

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# Statistical Section



*We prepare all students for success*

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# MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

## Statistical Section Contents

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**MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT**

Table 1

Net Position by Component

Last Ten Fiscal Years

*(accrual basis of accounting, unaudited)*

	Fiscal Year				
	2011-12	2012-13	2013-14	2014-15	2015-16
Governmental activities:					
Net investment in capital assets	\$ 5,707,926	\$ 6,935,776	\$ 6,659,975	\$ 7,873,567	\$ 11,719,917
Restricted					
Endowment & Scholarships	5,764	5,768	5,772	-	-
Correspondence	-	-	-	909,690	1,227,235
Unrestricted (deficit)	9,628,437	11,235,950	16,453,611	(67,493,691)	(101,330,211)
Total Net Position	<u>\$ 15,342,127</u>	<u>\$ 18,177,494</u>	<u>\$ 23,119,358</u>	<u>\$ (58,710,434)</u>	<u>\$ (88,383,059)</u>

	Fiscal Year				
	2016-17	2017-18	2018-19	2019-20	2020-21
Governmental activities:					
Net investment in capital assets	\$ 12,468,508	\$ 12,420,350	\$ 12,332,307	\$ 12,668,332	\$ 11,552,162
Restricted					
Endowment & Scholarships	-	4,285	4,289	4,290	-
Correspondence	1,610,912	1,768,396	1,919,998	2,068,724	3,162,995
Unrestricted (deficit)	(147,605,306)	(160,442,006)	(143,730,043)	(110,676,134)	(96,605,099)
Total Net Position	<u>\$ (133,525,886)</u>	<u>\$ (146,248,975)</u>	<u>\$ (129,473,449)</u>	<u>\$ (95,934,788)</u>	<u>\$ (81,889,942)</u>

**Note:**

- Beginning with the fiscal year 2013 financial reports, the District is now using the term net position in place of net asset per GASB Statement No. 63 changes effective for periods beginning after December 15, 2011.
- Beginning with fiscal year 2015, the District adopted the provisions of GASB Statement No. 68 Accounting and Financial Reporting for Pensions, which among other accounting and reporting criteria, requires the District to recognize its proportional share of the Net Pension Liability (and related deferred inflow/outflows of resources), as of the beginning of the District's fiscal year. As a result of the implementation of this statement, the Unrestricted amount for the District's net position is negative as opposed to positive numbers in prior years.
- Beginning with the fiscal year 2021 financial reports, the District adopted GASB Statement No. 84, which caused the reclassification of the Student Activities Fund from an agency fund to a governmental fund.

**MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT**

Table 2

Changes in Net Position  
Last Ten Fiscal Years  
(accrual basis of accounting)

	Fiscal Year		
	2011-12	2012-13	2013-14
<b>Expenses</b>			
Governmental activities:			
Instruction	\$ 102,652,990	\$ 111,528,252	\$ 115,177,488
Special education instruction	34,635,679	37,990,290	39,598,495
Special education support svcs - students	13,424,756	14,444,346	14,890,203
Support services - students	9,134,244	10,142,769	10,221,597
Support services - instruction	11,608,145	12,929,046	11,920,978
School administration	8,644,008	9,251,490	9,750,103
School administration support services	8,690,991	9,321,729	10,237,800
District administration	2,183,125	2,510,421	2,381,199
District administration support services	11,124,510	11,152,661	11,473,216
Operations and maintenance of plant	24,642,884	23,314,018	23,899,444
Student activities	3,817,866	4,127,474	4,261,180
Student transportation service - other transportation services	14,054,946	14,984,891	14,625,526
Student transportation service - to and from school	-	-	-
Community services	71,929	28,425	33,206
Food services	6,102,001	6,227,749	6,158,475
Construction and facilities acquisition	204,284	1,086,884	2,561,948
Interest on long-term debt	-	-	-
Total expenses	<u>250,992,358</u>	<u>269,040,445</u>	<u>277,190,858</u>
<b>Program Revenues</b>			
Governmental activities:			
Charges for services:			
Food services	1,251,850	1,238,418	1,143,678
Student activities	-	-	-
Operating grants and contributions	59,152,213	73,268,002	74,179,332
Total program revenues	<u>60,404,063</u>	<u>74,506,420</u>	<u>75,323,010</u>
<b>Net expense - governmental activities</b>	<u>(190,588,295)</u>	<u>(194,534,025)</u>	<u>(201,867,848)</u>
<b>General Revenues and Other Changes in Net Position</b>			
Governmental activities:			
Grants and contributions not restricted to specific programs:			
Borough direct appropriation	48,048,419	48,845,260	51,226,720
State grants and entitlements not restricted	145,190,155	144,671,947	152,514,643
E-rate	956,307	818,873	977,158
Medicaid	1,032,785	1,005,974	166,098
Special item - transfer to Governmental Units	-	-	-
Other	1,660,696	2,027,338	1,925,093
Total general revenue	<u>196,888,362</u>	<u>197,369,392</u>	<u>206,809,712</u>
<b>Change in Net Position</b>	<u>\$ 6,300,067</u>	<u>\$ 2,835,367</u>	<u>\$ 4,941,864</u>

**Notes:**

- Beginning with the fiscal year 2013 financial reports, the District is now using the term net position in place of net assets per GASB Statement 63 changes effective for periods beginning after December 15, 2011.
- Beginning with the fiscal year 2020 financial reports, the District has ceased reporting capital expenditures as a major function.
- Beginning with the fiscal year 2021 financial reports, the District adopted GASB Statement No. 84, which caused the reclassification of the Student Activities Fund from an agency fund to a governmental fund.

**MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT**

Table 2

Changes in Net Position

Last Ten Fiscal Years

*(accrual basis of accounting), continued*

Fiscal Year						
2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
\$ 133,133,390	\$ 122,469,569	\$ 129,211,154	\$ 107,165,419	\$ 99,898,869	\$ 92,755,961	\$ 115,119,822
44,347,523	48,649,106	50,200,983	40,822,523	38,967,635	37,028,459	41,125,803
18,887,579	16,189,170	20,122,446	17,627,881	16,177,323	15,414,844	17,712,718
11,371,555	12,929,378	13,950,916	9,372,277	8,858,952	8,578,659	10,561,849
15,877,378	14,381,217	14,075,318	11,487,186	13,683,946	12,747,063	10,885,288
12,258,280	11,442,708	12,271,585	10,249,983	9,756,751	8,736,248	10,062,860
10,151,374	12,952,086	13,400,426	10,107,832	9,637,263	9,038,902	9,976,951
2,652,052	2,676,091	2,666,430	1,540,370	1,375,486	1,532,869	1,233,605
10,321,568	16,529,327	14,864,925	12,205,977	12,501,533	12,932,866	15,056,835
23,926,623	29,164,991	28,816,558	24,384,005	24,523,333	26,879,109	27,975,549
4,580,399	3,911,398	4,283,203	3,545,267	3,454,577	2,960,185	4,887,911
15,281,946	17,055,480	809,345	400,198	228,364	300,153	249,527
-	-	18,046,667	17,462,016	17,516,999	16,520,902	17,600,419
27,159	19,978	23,994	22,180	72,538	6,353	47,801
6,521,325	6,775,158	7,103,926	6,940,007	6,869,344	6,685,857	6,826,217
1,702,221	731,402	1,945,688	1,926,253	4,113,477	-	-
-	-	-	401,222	242,811	237,264	231,513
311,040,372	315,877,059	331,793,564	275,660,596	267,879,201	252,355,694	289,554,668
1,108,593	1,039,643	1,115,178	1,097,620	1,212,213	999,167	117,724
-	-	-	-	-	-	1,300,414
101,938,313	62,405,666	54,554,845	52,947,144	49,365,415	53,516,040	66,134,075
103,046,906	63,445,309	55,670,023	54,044,764	50,577,628	54,515,207	67,552,213
(207,993,466)	(252,431,750)	(276,123,541)	(221,615,832)	(217,301,573)	(197,840,487)	(222,002,455)
51,291,720	52,665,941	55,841,300	55,841,300	58,374,918	60,665,932	62,310,148
160,874,324	164,091,360	170,159,334	170,625,841	172,766,647	174,422,821	173,839,797
1,222,684	2,437,337	1,349,403	1,280,412	1,276,298	1,344,024	1,439,607
1,150,746	1,066,987	1,090,092	1,356,014	618,220	18,384	501,424
-	-	-	-	-	(5,900,000)	(6,000,000)
2,100,482	2,497,500	2,540,585	961,998	1,041,016	827,987	1,015,490
216,639,956	222,759,125	230,980,714	230,065,565	234,077,099	231,379,148	233,106,466
\$ 8,646,490	\$ (29,672,625)	\$ (45,142,827)	\$ 8,449,733	\$ 16,775,526	\$ 33,538,661	\$ 11,104,011

**MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT**

Table 3

Fund Balances of Governmental Funds

Last Ten Fiscal Years

*(modified accrual basis of accounting)*

	Fiscal Year			
	2011-12	2012-13	2013-14	2014-15
General Fund				
Nonspendable	\$ 2,125,081	\$ 1,344,040	\$ 1,503,064	\$ 1,623,546
Restricted	-	-	-	903,914
Committed	-	-	-	-
Assigned	500,000	500,000	500,000	500,000
Unassigned	1,699,886	6,582,546	10,809,725	14,278,535
Total general fund	<u>\$ 4,324,967</u>	<u>\$ 8,426,586</u>	<u>\$ 12,812,789</u>	<u>\$ 17,305,995</u>
All other governmental funds				
Nonspendable, reported in:				
Special revenue funds	540,361	645,710	630,557	633,195
Restricted	5,764	5,768	5,772	5,776
Committed, reported in:				
Capital projects funds	8,000,740	6,080,793	5,895,826	6,654,120
Nonmajor funds	-	-	-	-
Assigned, reported in:				
Special revenue funds	1,321,630	835,841	1,195,490	1,499,642
Unassigned, reported in:				
Special revenue funds	-	-	-	-
Total all other governmental funds	<u>\$ 9,868,495</u>	<u>\$ 7,568,112</u>	<u>\$ 7,727,645</u>	<u>\$ 8,792,733</u>

**MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT**

Table 3

Fund Balances of Governmental Funds

Last Ten Fiscal Years

*(modified accrual basis of accounting), continued*

Fiscal Year					
2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
\$ 1,763,837	\$ 2,587,589	\$ 2,600,665	\$ 2,304,658	\$ 2,332,448	\$ 6,447,219
1,221,455	1,606,630	1,768,396	1,919,998	2,064,434	3,162,995
-	-	500,000	-	-	-
500,000	500,000	500,000	500,000	500,000	500,000
11,230,141	7,088,486	11,623,996	20,615,226	23,625,155	10,631,049
<u>\$ 14,715,433</u>	<u>\$ 11,782,705</u>	<u>\$ 16,993,057</u>	<u>\$ 25,339,882</u>	<u>\$ 28,522,037</u>	<u>\$ 20,741,263</u>
563,139	879,944	758,689	667,038	1,781,642	1,409,084
5,780	4,282	4,285	4,289	4,290	-
4,857,129	3,053,923	3,735,930	3,013,030	3,736,478	1,354,116
-	-	-	-	-	4,898,170
1,859,118	1,010,450	775,924	682,624	1,326,551	1,368,496
-	(231,610)	(9,393)	82,258	(1,032,346)	-
<u>\$ 7,285,166</u>	<u>\$ 4,716,989</u>	<u>\$ 5,265,435</u>	<u>\$ 4,449,239</u>	<u>\$ 5,816,615</u>	<u>\$ 9,029,866</u>

**MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT**

Table 4

Governmental Funds Revenues

Last Ten Fiscal Years

*(modified accrual basis of accounting)*

	Fiscal Year			
	2011-12	2012-13	2013-14	2014-15
Revenues from local sources:				
Borough direct appropriation	\$ 48,048,419	\$ 48,845,260	\$ 51,226,720	\$ 51,291,720
Food services	1,401,593	1,238,418	1,143,678	1,108,593
Student activities	-	-	-	-
Other local revenue	1,660,677	2,113,590	7,504,426	6,637,039
Total revenue from local sources	<u>51,110,689</u>	<u>52,197,268</u>	<u>59,874,824</u>	<u>59,037,352</u>
Revenue from state sources:				
Foundation program	139,119,165	141,276,085	143,796,099	155,076,933
School Improvement	459,962	466,013	476,483	496,904
Energy Relief Grant	2,361,367	2,929,851	-	5,300,487
Senate Bill 18	-	-	2,517,299	-
House Bill 65	-	-	2,996,786	-
TRS on-behalf	25,502,869	34,140,205	36,858,926	239,848,269
PERS on-behalf	3,249,659	4,178,043	4,187,300	13,941,378
Other state revenue	14,793,929	15,835,467	16,164,379	17,283,941
Total revenue from state sources	<u>185,486,951</u>	<u>198,825,664</u>	<u>206,997,272</u>	<u>431,947,912</u>
Revenue from federal sources:				
Direct	1,271,425	1,457,073	1,073,904	852,066
E-Rate	956,307	818,873	977,158	1,222,684
Medicaid reimbursement	1,032,785	1,005,974	166,098	1,150,746
Through the State of Alaska and other intermediate agencies	17,429,596	17,566,958	16,641,195	16,443,827
Total revenue from federal sources	<u>20,690,113</u>	<u>20,848,878</u>	<u>18,858,355</u>	<u>19,669,323</u>
Total revenues	<u>\$ 257,287,753</u>	<u>\$ 271,871,810</u>	<u>\$ 285,730,451</u>	<u>\$ 510,654,586</u>

**MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT**

Table 4

Governmental Funds Revenues

Last Ten Fiscal Years

*(modified accrual basis of accounting), continued*

Fiscal Year					
2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
\$ 52,665,941	\$ 55,841,300	\$ 55,841,300	\$ 58,374,918	\$ 60,665,932	\$ 62,310,148
1,039,643	1,115,178	1,097,620	1,180,345	924,359	117,724
-	-	-	-	-	1,300,414
8,435,117	6,214,922	1,919,655	3,283,520	1,570,991	-
62,140,701	63,171,400	58,858,575	62,838,783	63,161,282	63,728,286
163,573,688	169,628,235	169,972,248	169,485,342	169,667,391	173,028,762
517,671	531,101	537,159	541,059	543,865	555,955
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
16,045,044	14,735,551	14,396,752	16,208,585	17,889,178	17,841,542
1,875,047	1,507,427	1,047,303	1,966,871	2,338,553	3,022,315
17,834,064	16,457,713	17,777,841	20,413,336	21,442,490	16,625,163
199,845,514	202,860,027	203,731,303	208,615,193	211,881,477	211,073,737
778,384	804,092	629,961	594,830	752,961	834,165
2,437,337	1,349,403	1,280,412	1,276,298	1,344,024	1,439,607
1,066,987	1,090,092	1,356,014	618,220	18,384	501,424
17,103,205	17,170,462	19,069,002	21,502,486	20,831,288	31,798,224
21,385,913	20,414,049	22,335,389	23,991,834	22,946,657	34,573,420
\$ 283,372,128	\$286,445,476	\$ 284,925,267	\$ 295,445,810	\$ 297,989,416	\$ 309,375,443

**MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT**

Table 5  
Governmental Funds Expenditures  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	Fiscal Year				
	2011-12	2012-13	2013-14	2014-15	2015-16
Instruction	\$ 103,499,291	\$ 111,582,158	\$ 116,008,960	\$ 240,362,437	\$ 108,132,268
Special education instruction	34,909,793	37,968,642	39,595,992	72,343,485	39,130,728
Special education support svc. - students	13,404,443	14,356,252	14,977,473	31,087,214	16,183,342
Support services - students	9,276,323	10,118,303	10,296,301	21,320,389	9,853,439
Support services - instruction	11,622,599	12,869,796	11,881,290	26,037,639	13,534,368
School administration	8,658,489	9,241,119	9,727,761	23,633,598	9,911,971
School administration support services	8,409,581	9,335,527	10,349,865	12,078,209	10,699,171
District administration	2,153,297	2,495,089	2,341,882	3,942,710	2,322,675
District administration support services	11,277,610	11,108,804	9,808,134	12,527,440	15,122,521
Operations and maintenance of plant	24,274,025	23,049,191	24,054,428	26,728,663	26,129,500
Student activities	3,817,013	4,127,607	4,289,527	7,299,072	3,534,412
Student transportation service - to and from school	14,037,739	14,971,166	14,628,406	15,287,959	17,051,828
Student transportation service - student activities	-	-	-	-	-
Student transportation service - other	-	-	-	-	-
Community services	71,929	28,425	28,425	25,746	20,854
Food services	5,923,944	6,134,367	6,134,367	6,513,662	6,801,723
Debt Service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Construction and facilities acquisition	3,217,541	2,684,128	2,684,128	5,908,069	9,041,458
	<u>\$ 254,553,617</u>	<u>\$ 270,070,574</u>	<u>\$ 276,806,939</u>	<u>\$ 505,096,292</u>	<u>\$ 287,470,258</u>

Debt Service Expenditures to Noncapital Expenditures	-	-	-	-	-
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	Fiscal Year				
	2016-17	2017-18	2018-19	2019-20	2010-21
Instruction	\$ 110,759,936	\$ 107,417,063	\$ 108,758,800	\$ 109,373,711	\$ 126,447,541
Special education instruction	42,212,271	41,630,066	42,447,550	42,948,462	44,875,681
Special education support svc. - students	17,240,183	17,795,980	17,547,078	17,876,281	19,390,806
Support services - students	10,599,150	9,684,574	10,320,728	10,905,975	12,081,601
Support services - instruction	12,575,788	11,471,417	14,565,633	14,323,543	11,801,881
School administration	10,212,836	10,256,013	10,866,725	10,628,388	11,364,012
School administration support services	11,344,458	10,522,280	10,355,295	10,091,986	10,459,825
District administration	2,281,051	1,543,480	1,561,093	1,752,654	1,349,835
District administration support services	12,659,529	12,363,490	13,365,885	14,322,826	15,396,072
Operations and maintenance of plant	26,131,547	24,810,971	25,277,087	24,911,300	26,296,966
Student activities	3,770,079	3,622,219	3,718,195	3,441,325	5,178,609
Student transportation service - to and from school	18,040,165	17,452,335	17,519,061	16,524,347	17,598,692
Student transportation service - other	809,345	400,198	228,364	300,153	249,527
Community services	23,151	22,222	83,800	14,204	47,784
Food services	7,103,929	6,901,329	6,870,276	6,687,893	6,871,697
Debt Service					
Principal	-	133,244	150,489	156,036	161,787
Interest	-	401,222	242,811	237,264	231,513
Construction and facilities acquisition	6,182,963	2,738,366	4,036,311	3,226,660	1,297,358
Total expenditures	<u>\$ 291,946,381</u>	<u>\$ 279,166,469</u>	<u>\$ 287,915,181</u>	<u>\$ 287,723,008</u>	<u>\$ 311,101,187</u>

Debt Service Expenditures to Noncapital Expenditures	-	0.19%	0.14%	0.14%	0.13%
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**MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT**

Table 6

Other Financing Sources and Uses and Net Change in Fund Balances of Governmental Funds

Last Ten Fiscal Years

*(accrual basis of accounting)*

	Fiscal Year				
	2011-12	2012-13	2013-14	2014-15	2015-16
Excess (deficiency) of revenues over expenditures	\$ 2,734,136	\$ 1,801,236	\$ 4,378,736	\$ 5,558,294	\$ (4,098,129)
Other financing sources (uses):					
Issuance of capital leases					
Transfers in	6,956,916	1,306,620	3,391,608	3,692,367	2,646,100
Transfers out	(7,123,916)	(1,306,620)	(3,224,608)	(3,692,367)	(2,646,100)
Total other financing sources (uses)	(167,000)	-	167,000	-	-
Net change in fund balances	<u>\$ 2,567,136</u>	<u>\$ 1,801,236</u>	<u>\$ 4,545,736</u>	<u>\$ 5,558,294</u>	<u>\$ (4,098,129)</u>

	Fiscal Year				
	2016-17	2017-18	2018-19	2019-20	2020-21
Excess (deficiency) of revenues over expenditures	\$ (5,500,905)	\$ 5,758,798	\$ 7,530,629	\$ 10,366,408	\$ (1,725,744)
Other financing sources (uses):					
Transfers in	3,192,212	4,392,849	4,120,729	10,978,137	16,323,358
Transfers out	(3,192,212)	(4,392,849)	(4,120,729)	(10,895,014)	(16,105,972)
Total other financing sources (uses)	-	-	-	83,123	217,386
Transfer to Other Governmental Units	-	-	-	(5,900,000)	(6,000,000)
Net change in fund balances	<u>\$ (5,500,905)</u>	<u>\$ 5,758,798</u>	<u>\$ 7,530,629</u>	<u>\$ 4,549,531</u>	<u>\$ (7,508,358)</u>

**MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT**

As Reported by the Matanuska-Susitna Borough

Table 7

Assessed and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years

<b>Fiscal Year of Assessed Value</b>	<b>Real Property</b>	<b>Personal Property</b>	<b>Tax Exempt Property</b>	<b>Total Taxable Assessed Value</b>
2011	9,538,236,712	70,594,984	1,399,139,093	8,209,692,603
2012	9,844,733,062	71,482,452	1,532,187,448	8,384,028,066
2013	10,083,251,287	50,340,319	1,600,527,289	8,533,064,317
2014	10,350,396,337	63,442,515	1,711,599,833	8,702,239,019
2015	10,700,459,143	52,590,547	1,748,972,499	9,004,077,191
2016	11,241,555,014	55,738,480	2,031,032,480	9,266,261,014
2017	11,827,850,040	57,210,951	2,149,070,847	9,735,990,144
2018	12,143,847,289	55,474,108	2,189,734,774	10,009,586,623
2019	12,607,655,917	56,166,810	2,276,424,441	10,387,398,286
2020	13,073,712,851	56,296,592	2,362,936,741	10,767,072,702

	<b>Direct Tax Rate</b>	<b>Less: Estimated Actual Taxable Value</b>	<b>Percentage of Actual Value</b>
2011	9.956	9,103,817,690	90.18%
2012	10.051	9,063,680,270	92.50%
2013	9.691	9,568,003,300	89.18%
2014	9.852	10,064,353,720	86.47%
2015	9.662	10,268,301,740	87.69%
2016	9.984	10,985,826,830	84.35%
2017	9.984	11,715,012,530	83.11%
2018	10.332	11,715,012,530	85.44%
2019	10.331	12,038,657,130	86.28%
2020	10.386	12,431,946,562	86.61%

**Note:** Property in the Matanuska-Susitna Borough is reassessed annually at the property's true and full value as of January 1 of the tax year per MSB Code 3.15.060(A). Tax rates are per \$1,000 of assessed value.

**Source:** Matanuska-Susitna Borough Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2020. This information is for the most recent fiscal year available by the publication date of the School District's ACFR.

**MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT**

As Reported by Matanuska-Susitna Borough

Table 8

Principal Taxable Properties

Current Year and Nine Years Ago

Taxpayer	2020			2011		
	Taxable Assessed Valuation	Rank	Percentage of Borough's Taxable Assessed Valuation	Taxable Assessed Valuation	Rank	Percentage of Borough's Taxable Assessed Valuation
Mat-Su Valley Medical Center	\$ 111,810,900	1	1.12%	\$ 101,466,020	1	1.33%
Enstar Natural Gas	63,983,000	2	0.64%	42,403,100	2	0.52%
Fred Meyer Stores, Inc.	53,449,265	3	0.53%	40,275,375	4	0.49%
Alaska Hotel Properties, Inc.	40,647,200	4	0.41%	40,975,800	3	0.47%
Wal-Mart Stores, Inc.	29,636,400	5	0.30%	28,832,333	5	0.37%
Cook Inlet Region, Inc.	27,602,600	6	0.28%	17,580,800	10	0.26%
Global Finance & Investments S. A. /Gary Lundgren	24,862,500	7	0.25%	-	0	0.30%
GCI Cable/Alaska Wireless	23,037,200	8	0.23%	20,569,437	8	0.32%
Maple Springs	19,119,200	9	0.19%	-	0	0.45%
DBC, LLC/Target	18,273,900	10	0.18%	23,761,415	6	-
Alaska Pipeline Co.	-		-	21,338,100	7	0.27%
Lowe's HIW Inc.	-		-	20,512,014	9	0.00%
	<u>\$ 412,422,165</u>		<u>4.13%</u>	<u>\$ 357,714,394</u>		<u>4.78%</u>

**Note:** Includes real and personal property

**Source:**

Matanuska-Susitna Borough Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2020.

This information is for the most recent fiscal year available by the publication date of the School District's ACFR.

# MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

As Reported by the Matanuska-Susitna Borough

Table 9

Direct and Overlapping Property Tax Rates  
(mill levy rate per \$1000 of assessed value)

Last Ten Fiscal Years

Fiscal Year	Borough Direct Rate	Overlapping Rates							
	Areawide Borough	Service Area Number							
		Non-Areawide Borough	City of Palmer	City of Wasilla	City of Houston	2	4	7	8
2011	9.956	0.394	3.00	-	3.00	2.94	3.71	1.32	8.51
2012	10.051	0.425	3.00	-	3.00	2.94	3.96	1.32	8.22
2013	9.691	0.489	3.00	-	3.00	3.05	4.06	1.39	4.00
2014	9.852	0.520	3.00	-	3.00	3.05	4.41	1.39	4.00
2015	9.662	0.520	3.00	-	3.00	3.24	4.59	1.39	-
2016	9.984	0.517	3.00	-	3.00	3.43	4.82	1.07	-
2017	9.984	0.525	3.00	-	3.00	3.43	4.59	0.91	-
2018	10.332	0.548	3.00	-	3.00	3.43	4.59	0.91	-
2019	10.331	0.548	3.00	-	3.00	3.43	4.59	0.91	-
2020	10.386	0.057	3.00	-	3.00	3.43	4.59	0.91	-

Fiscal Year	Overlapping Rates								
	Service Area Number								
	9	14	15	16	17	19	20	21	23
2011	2.41	1.66	4.11	1.50	2.75	2.62	3.39	2.57	4.01
2012	2.58	1.66	4.11	1.50	2.75	2.51	3.62	2.57	4.29
2013	2.78	1.77	4.10	1.50	2.92	2.51	3.86	2.57	4.59
2014	2.78	1.77	4.10	1.50	2.92	2.51	3.86	2.57	4.59
2015	2.78	1.77	4.10	1.50	2.92	2.51	3.50	2.57	4.59
2016	2.78	1.85	4.10	1.50	2.92	2.51	3.50	2.57	4.59
2017	2.78	1.85	4.10	1.50	2.92	2.51	3.50	2.57	4.59
2018	2.78	1.85	4.10	1.50	2.92	2.50	3.50	2.57	4.59
2019	2.78	1.85	4.10	1.50	2.92	2.51	3.50	2.57	4.59
2020	2.78	1.85	4.10	1.50	2.92	2.51	3.50	2.57	4.59

**Note:** \* The Borough Direct Rate represents a single component which is the Areawide Mill Levy Rate. Also, Fire Service Areas (FSA), Road Service Areas (RSA), and Service Areas (SA) are identified by service area numbers.

\* In Fiscal Year 2010, FSA #33 and FSA #34 were combined to create FSA #136.

**Source:** Matanuska-Susitna Borough Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2020. This information is for the most recent fiscal year available by the publication date of the School District's ACFR.

**MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT**

As Reported by the Matanuska-Susitna Borough

Table 9

Direct and Overlapping Property Tax Rates  
(mill levy rate per \$1000 of assessed value), continued  
Last Ten Fiscal Years

Fiscal Year	Overlapping Rates							
	Service Area Number							
	24	25	26	27	28	29	30	31
2011	1.84	1.53	3.04	3.24	2.00	2.73	3.74	3.35
2012	1.84	1.61	3.23	3.24	2.00	2.73	3.97	3.68
2013	1.95	1.73	3.45	3.48	2.00	2.89	4.41	3.68
2014	1.95	1.73	3.45	3.48	2.00	2.89	4.41	3.68
2015	2.04	1.73	3.45	3.48	2.00	2.89	4.41	3.68
2016	2.04	1.73	3.45	3.48	2.00	3.01	4.41	3.68
2017	2.04	1.73	3.45	3.48	1.99	3.01	4.41	3.68
2018	2.04	1.73	3.45	3.48	1.99	3.12	4.41	3.68
2019	2.04	1.73	3.45	3.48	1.99	3.12	4.41	3.68
2020	2.04	1.73	3.45	3.48	1.99	3.12	4.41	3.68

Fiscal Year	Overlapping Rates								
	Service Area Number								
	33*	34*	35	69	130	131	132	135	136*
2011	-	-	1.21	7.33	1.83	3.47	0.84	3.00	1.56
2012	-	-	1.29	8.21	1.92	3.68	0.88	3.00	1.56
2013	-	-	1.37	9.12	1.97	4.13	0.88	2.96	1.67
2014	-	-	1.46	9.12	1.99	3.24	0.90	2.96	1.67
2015	-	-	1.34	9.12	1.99	3.24	0.90	2.96	1.78
2016	-	-	2.75	9.12	1.99	3.24	0.94	3.21	1.88
2017	-	-	2.75	9.40	2.15	3.24	0.96	3.21	2.20
2018	-	-	2.75	9.40	2.15	3.24	0.96	3.21	2.20
2019	-	-	2.75	9.40	2.12	3.24	0.96	3.21	2.20
2019	-	-	2.75	9.40	2.12	3.24	0.96	3.21	2.20

# MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

As Reported by the Matanuska-Susitna Borough

Table 10

Property Tax Levies and Collections  
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year	Unfunded Senior Citizens and Disabled Veterans Levy	Net Tax Levy	Collected within the Fiscal Year of the Levy	
				Amount	Percentage of Levy
2011	\$ 110,203,515	\$ 7,743,976	\$ 102,459,539	\$ 98,954,998	96.58 %
2012	114,442,314	8,325,740	106,116,574	101,881,857	96.01
2013	114,904,572	8,834,593	106,069,979	102,321,617	96.47
2014	118,906,810	8,920,224	109,986,586	106,109,708	96.48
2015	121,650,445	9,906,339	111,744,106	108,285,996	96.91
2016	130,590,976	11,295,573	119,295,403	116,527,024	97.68
2017	138,589,875	12,166,401	126,423,474	122,648,889	97.01
2018	144,622,503	13,588,979	131,033,524	126,903,605	96.85
2019	152,062,345	14,943,337	137,119,008	133,194,431	97.14
2020	156,626,653	16,182,950	140,443,703	135,753,457	96.66

Fiscal Year	Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Net Levy
2011	\$ 3,339,545	\$ 102,294,543	99.84 %
2012	3,948,981	105,830,838	99.73
2013	3,360,490	105,682,107	99.63
2014	3,300,814	109,410,522	99.48
2015	2,672,639	110,958,635	99.30
2016	1,793,793	118,320,817	99.18
2017	1,940,330	124,589,219	98.55
2018	1,682,619	128,586,224	98.13
2019	1,072,863	134,267,294	97.92
2020	-	135,753,457	96.66

**Source:** Matanuska-Susitna Borough Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2020. This information is for the most recent fiscal year available by the publication date of the School District's ACFR.

**MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT**

Table 11

Significant Own-Sourced Revenue  
Last Ten Fiscal Years

Fiscal Year	Food Services Local Revenue	Cost of Full- Priced Meals <sup>a</sup>		Percentage of Students Eligible for Free or Reduced-Price Meals <sup>b</sup>
		Breakfast	Lunch	
2011-12	1,401,593	1.60	2.85	38.2%
2012-13	1,238,418	1.60	2.95	39.5%
2013-14	1,143,679	1.60	2.95	40.0%
2014-15	1,108,593	1.60	2.95	40.0%
2015-16	1,039,643	1.60	2.95	40.4%
2016-17	1,115,178	1.75	3.25	41.2%
2017-18	1,097,620	2.00	3.50	44.0%
2018-19	1,212,213	2.00	3.50	47.7%
2019-20	999,167	2.00	3.50	43.6%
2020-21	117,724	2.25	3.75	33.5%

**Note:**

<sup>a</sup> The cost of full-price meals are for elementary.

<sup>b</sup> Cybersoft Nutrition Services Software - for all sites including non-meal program participants.

**MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT**  
As Reported by the Matanuska-Susitna Borough  
Table 12  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

Government Activities					
Fiscal Year	General Obligation Bonds	Certificates of Participation	Notes Payable	Unamortized Bond Premium	Capital Leases
2011	\$ 184,240,000	\$ 7,100,000	\$ 359,063	\$ 5,812,872	\$ -
2012	262,845,000	6,390,000	347,777	15,848,933	-
2013	270,410,000	5,645,000	329,698	18,592,433	-
2014	299,455,000	13,450,000	311,347	22,851,440	-
2015	335,920,000	12,195,000	292,721	33,411,389	-
2016	314,755,000	10,885,000	6,781,005	30,910,711	-
2017	313,680,000	20,585,000	7,490,499	36,422,155	-
2018	290,020,000	19,130,000	7,248,163	33,744,998	-
2019	269,440,000	17,610,000	7,759,268	31,129,886	-
2020	255,315,000	16,030,000	6,722,723	29,935,814	-

Business-type Activities						
Fiscal Year	General Obligation Bonds	Notes Payable	Unamortized Bond Premium	Total Primary Government	Percentage of Personal Income	Per Capita
2011	7,220,000	4,606,769	123,452	209,462,156	5.74	2,354
2012	6,665,000	4,561,767	684,094	297,342,571	7.72	3,243
2013	6,200,000	4,434,462	625,457	306,237,050	7.29	3,194
2014	5,735,000	4,346,366	566,821	346,715,974	7.75	3,534
2015	5,250,000	4,395,179	508,184	391,972,473	8.26	3,878
2016	4,750,000	6,147,994	449,547	374,679,257	8.08	3,597
2017	4,230,000	5,956,722	390,911	388,755,287	8.14	3,649
2018	3,690,000	6,857,169	332,274	361,022,604	7.87	3,355
2019	3,125,000	10,572,460	273,637	339,910,251	6.81	3,214
2020	2,545,000	6,722,723	215,001	317,486,261	N/A	2,944

**Source:**

Matanuska-Susitna Borough Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2020. This information is for the most recent fiscal year available by publication date of the School District ACFR.

**MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT**

As Reported by the Matanuska-Susitna Borough

Table 13

Direct and Overlapping Debt

As of June 30, 2020

Governmental Unit	Debt Outstanding	Percentage Applicable to this Governmental Unit	Share of Direct and Overlapping Debt
Education Debt	\$ 213,515,000	100%	\$ 213,515,000
Certificates of Participations-Public Safety Building	14,550,000	100%	14,550,000
Certificates of Participations-Animal Care Facility	1,480,000	100%	1,480,000
Notes Payable-AK Clean Water Fund Loans	195,318	100%	195,318
Notes Payable-USDA	6,460,231	100%	6,460,231
Notes Payable-University of Alaska	67,174	100%	67,174
Parks and Recreation	19,335,000	100%	19,335,000
Transportation	22,465,000	100%	22,465,000
Total	<u>\$ 278,067,723</u>		<u>\$ 278,067,723</u>
Unamortized bond premiums	\$ 29,935,814	100%	\$ 29,935,814
Total	<u>\$ 308,003,537</u>		<u>\$ 308,003,537</u>
Cities within the Borough, (Palmer and Wasilla) General Obligation Bonds as of June 30, 2019			
Palmer Ice Rink	<u>475,000</u>	100%	<u>475,000</u>
Total	<u>\$ 475,000</u>		<u>\$ 475,000</u>
Net Direct and Overlapping Debt			<u>\$ 308,478,537</u>

**Note:** \* The laws of the State of Alaska do not establish a debt limit.

\* All debt outstanding is related to Matanuska-Susitna Borough's governmental activities.

**Source:** Matanuska-Susitna Borough Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2020. This information is for the most recent fiscal year available by publication date of the School District ACFR.

# MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

As Reported by Matanuska-Susitna Borough

Table 14

Demographic and Economic Statistics

Last Ten Calendar Years

	(1)	(2)		(3)	(4)
		Personal	Per		
		Income	Capita	School	Unemployment
Year	Population	(thousands of	Income	Enrollment	Rate
		dollars)			
2011	88,995	3,649,774	41,011	16,692	8.9%
2012	91,697	3,852,961	42,018	17,338	8.6%
2013	95,877	4,201,678	43,824	17,247	7.3%
2014	98,104	4,474,367	45,608	17,500	7.2%
2015	101,068	4,743,687	46,936	17,757	8.6%
2016	104,157	4,637,103	44,520	18,745	8.1%
2017	106,532	4,772,994	44,803	18,935	8.2%
2018	107,610	4,938,943	45,897	19,369	7.2%
2019	105,743	5,301,382	48,943	18,932	6.5%
2020	107,829	N/A	N/A	19,609	7.6%

N/A - Not available

## Note:

This information is as of the most recent fiscal year available by publication date of the School District ACFR.

## Source:

- 1) Alaska Department of Labor, Research and Analysis Division
- 2) United States Department of Commerce, Bureau of Economic Analysis
- 3) Matanuska-Susitna Borough School District
- 4) Alaska Department of Labor, Research and Analysis Division

Note: Enrollment numbers used by the Borough may differ from those reported by the Mat-Su Borough School District due to availability of the most recent numbers and publication timing.

# MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

As Reported by the Matanuska-Susitna Borough

Table 15

Total Employment by Type of Employer  
Current Year and Nine Years Ago

Employer Type	2020			2011		
	Employees	% of Total	Rank	Employees	% of Total	Rank
Trade, Transportation, and Utilities	4,990	20.10%	1	4,417	21.76%	1
Education and Health Services	4,962	19.99%	2	3,707	18.26%	2
Local Government	3,374	13.59%	3	3,045	15.00%	3
Leisure and Hospitality	3,060	12.33%	4	2,516	12.39%	4
Construction	2,495	10.05%	5	1,505	7.41%	5
Professional and Business Services	1,433	5.77%	6	1,159	5.71%	7
State Government	1,427	5.75%	7	1,185	5.84%	6
Other Services	960	3.87%	8	743	3.66%	8
Financial Activities	859	3.46%	9	738	3.64%	9
Information	512	2.06%	10	642	3.16%	10
Manufacturing	310	1.25%	11	209	1.03%	12
Federal Government	230	0.93%	12	216	1.06%	11
Natural Resources and Mining	206	0.83%	13	182	0.90%	13
Unclassified Employers	3	0.01%	14	38	0.19%	14
<b>Total</b>	<b>24,821</b>	<b>100%</b>		<b>20,302</b>	<b>100%</b>	

**Note:** Beginning in 2012, according to the Alaska Department of Labor, their nondisclosure rules no longer allow them to provide employment information that relates to or identifies employers for the current or previous years. Therefore, the Mat-Su Borough's ACFR began providing total employment by type of employer for the current year and nine years ago. Figures are based on an annual average.

**Source:** Matanuska-Susitna Borough Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2020. This information is for the most recent fiscal year available by publication date of the School District ACFR.

# MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 16

Full-Time Equivalent District Employees by Department and Type  
(Operating Fund)  
Last Ten Fiscal Years

	Actual as of June 30			
	2011-12 c	2012-13	2013-14	2014-15
<b>Personnel by Department</b>				
<b>a</b> Alternative Learning System	80.05	84.83	65.83	82.42
Board / Superintendent	10.75	10.75	11.75	11.88
Business Services	36.00	35.00	36.75	33.75
Charter Schools	102.56	113.75	159.47	173.73
District-wide	-	0.50	0.49	0.49
Education & Instruction	16.24	22.79	15.25	17.43
<b>b</b> Elementary	636.50	653.99	680.25	689.75
Federal Programs	6.50	6.10	16.10	15.10
Information Technology	26.00	28.00	26.68	26.68
Middle Schools	272.50	273.54	279.18	273.13
<b>b</b> Operations Maint. & Custodial	47.25	45.75	43.25	44.25
Senior High School & JR/SR	322.43	325.58	349.56	343.47
<b>b</b> Student Support Services	85.47	86.97	100.42	106.36
Vocational Education	44.00	38.75	13.50	16.00
<b>Total Personnel</b>	<b>1,686.25</b>	<b>1,726.29</b>	<b>1,798.48</b>	<b>1,834.42</b>
<b>Personnel by Employee Type</b>				
Board / Superintendent (s)	8.00	8.00	8.00	8.00
Management - Certified	6.00	7.00	63.85	65.65
Management - Classified	31.50	31.75	31.50	32.99
Certificated Staff	1,113.00	1,130.97	1,107.73	1,133.17
Classified Staff	527.75	548.57	587.40	594.61
<b>Total Personnel</b>	<b>1,686.25</b>	<b>1,726.29</b>	<b>1,798.48</b>	<b>1,834.42</b>

**Notes:**

School-term employees of the district work between 183 and 200 days at seven and a half hours per day. Most other district employees are based on 260 days at seven and a half to eight hours per day.

During FY12 the District implemented a new Financial Software System. This system has refined extraction of the staffing and FTE data from prior methods.

- a Alternative Learning Systems (ALS) include high schools BHS, VPW, Mat-Su Day School, Mat-Su Central (a Correspondence Study School), Alaska Middle College School (a dual high school/college credit school) and Mat-Su Youth Facility.
- b Custodial Staff, Support Service Aids, and Districtwide staff have been cost centered to site since FY12.
- c Increase reflects burden of staffing on General Fund with the exhaustion of ARRA and SFSF funding. Consequently staffing for HS & Elementary schools have increased as the majority of teaching staff had been funded through these programs.

**MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT**

Table 16

Full-Time Equivalent District Employees by Department and Type  
(Operating Fund)  
Last Ten Fiscal Years, continued

Actual as of June 30					
2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
110.98	110.75	100.43	111.69	103.52	118.79
11.88	11.88	11.88	10.88	10.88	10.88
34.50	33.25	33.25	39.50	39.50	38.50
161.22	149.78	155.28	144.64	145.65	149.68
1.49	1.49	1.49	1.49	1.49	1.49
17.92	17.43	17.43	18.99	18.57	18.11
736.27	720.97	736.11	727.90	734.79	714.08
16.60	14.60	12.30	13.49	12.24	17.74
29.18	29.50	28.00	27.75	28.50	27.75
266.05	266.19	254.31	269.41	274.75	266.88
43.38	43.38	42.38	48.75	50.25	47.63
367.03	375.09	380.83	392.48	395.48	388.80
122.35	114.50	109.26	111.04	114.01	121.22
12.49	12.00	5.50	4.25	8.25	4.74
1,931.34	1,900.81	1,888.45	1,922.26	1,937.88	1,926.29
8.00	8.00	8.00	8.00	8.00	8.00
64.90	64.39	64.19	69.68	70.99	69.96
33.00	34.00	34.00	36.75	38.00	40.00
1,170.50	1,151.17	1,172.49	1,174.64	1,183.80	1,201.50
654.94	643.25	609.77	633.19	637.09	606.83
1,931.34	1,900.81	1,888.45	1,922.26	1,937.88	1,926.29

**MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT**

Table 17  
Teacher Salary Information  
Last Ten School Years

<b>School Year</b>	<b>Entry Level Salary <sup>a</sup></b>	<b>Maximum Teacher Salary <sup>b</sup></b>	<b>Average Teacher Salary <sup>c</sup></b>	<b>Percent of Teachers at Maximum on Column(s) <sup>d</sup></b>
2011-12	44,195	81,044	64,265	35%
2012-13	45,079	84,645	67,333	40%
2013-14	45,079	84,645	67,924	46%
2014-15	45,642	85,704	68,665	44%
2015-16	46,213	86,775	69,275	46%
2016-17	46,790	87,860	70,098	46%
2017-18	46,790	87,860	70,480	48%
2018-19	47,258	88,739	70,671	49%
2019-20	47,258	88,739	70,708	50%
2020-21	48,203	88,396	71,059	51%

**Notes:**

- <sup>a</sup> Entry level salary represents a teacher with a bachelor degree and no experience.
- <sup>b</sup> Maximum salary represents a teacher with a masters degree, plus forty-five additional credits, and at least 13 years of teaching experience.
- <sup>c</sup> Average teacher salary is based on a scattergram of contracted certificated salaries for that school year.
- <sup>d</sup> The teacher salary schedule has eight columns:
  1. Bachelor
  2. Bachelor plus 15 credits
  3. Bachelor plus 30 credits
  4. Bachelor plus 45 credits or Masters
  5. Bachelor plus 60 or Masters plus 15 credits
  6. Masters plus 30 credits
  7. Masters plus 45 credits
  8. Doctorate

The percent of teacher FTE at maximum in each column is percentage of total teacher FTE.

**MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT**  
**Table 18**  
**Percentage of Students Eligible for Free and Reduced Meals by School**  
**Last Ten Fiscal Years**

	FISCAL YEAR									
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
SCHOOL SITE LOCATIONS (Percentage in site number order)										
001 Palmer High	30.97	29.91	53.61	30.49	27.84	31.77	31.00	37.00	33.16	28.00
002 Su-Valley JR/SR High	45.31	51.92	57.14	49.35	46.50	41.58	48.00	60.00	55.45	45.45
003 Wasilla High	24.56	34.36	32.51	39.06	32.45	34.59	36.00	42.00	38.53	32.59
005 Colony High	20.29	20.54	22.10	26.56	22.51	23.80	25.00	31.00	27.33	37.68
006 Burchell High School	25.86	68.25	58.72	56.82	100.00	100.00	100.00	91.07	91.07	25.90
007 Houston High	50.47	54.17	41.63	59.73	48.04	51.79	58.00	68.90	68.91	45.96
010 Palmer Middle	46.76	44.07	29.70	42.20	37.93	38.68	43.00	48.00	46.78	38.62
011 Wasilla Middle	40.60	44.20	42.82	50.07	44.83	44.90	46.00	52.00	49.93	40.49
012 Colony Middle	34.63	28.28	29.13	31.28	25.44	26.92	25.00	35.00	30.07	25.97
013 Teeland Middle	32.97	33.71	35.46	37.36	35.62	33.55	39.00	41.00	36.26	32.92
014 Houston Middle	52.32	54.05	50.13	62.94	58.33	55.71	74.61	68.93	68.91	41.27
030 Big Lake Elementary	50.80	65.39	60.22	48.12	84.49	84.58	84.51	75.95	75.95	45.71
031 Glacier View School	42.40	38.10	19.71	44.44	48.57	51.52	63.00	71.00	44.44	40.32
032 Iditarod Elementary	54.82	62.32	58.06	62.95	54.08	55.71	68.58	70.91	70.91	38.59
033 Sherrod Elementary	43.21	36.40	38.65	45.34	38.53	46.07	43.00	47.00	48.09	37.75
034 Swanson Elementary	41.86	42.28	43.64	46.71	39.74	40.85	42.00	52.00	46.28	46.48
035 Talkeetna Elementary	50.62	41.94	39.64	54.29	51.91	58.87	49.00	55.00	45.45	76.92
036 Trapper Creek Elementary	70.94	77.78	66.67	66.67	86.96	85.71	87.28	83.02	83.20	39.13
038 Willow Elementary	48.08	59.69	48.80	49.24	49.66	50.69	64.48	46.00	50.60	40.07
039 Snowshoe Elementary	42.52	36.19	33.75	48.17	49.54	45.09	46.00	53.00	45.55	39.02
041 Butte Elementary	49.19	51.59	37.76	48.37	48.85	45.95	48.00	46.00	36.44	46.81
042 Sutton Elementary	67.49	68.29	48.85	58.11	75.00	75.93	62.00	87.06	87.06	37.46
043 Cottonwood Creek Elementary	38.66	30.32	34.34	36.90	28.44	33.52	37.00	39.00	40.34	35.47
044 Tanaina Elementary	48.39	54.19	49.01	48.73	50.10	47.35	61.71	64.14	64.14	28.79
045 Pioneer Peak Elementary	37.38	26.56	39.08	29.60	30.39	29.71	32.00	35.00	31.87	36.59
046 Larson Elementary	40.06	37.44	44.17	40.21	39.51	40.47	43.00	45.00	40.40	33.08
047 Finger Lake Elementary	37.49	39.66	37.27	39.38	33.24	36.68	41.00	39.00	31.56	36.80
048 Goosebay Elementary	42.30	44.56	56.10	48.43	42.99	42.70	49.00	53.00	40.56	12.50
049 Beryozova School	-	-	-	-	-	-	-	-	-	28.25
050 Shaw Elementary	50.03	41.24	29.17	47.14	40.70	39.86	40.00	41.00	34.81	37.89
051 Meadow Lakes Elementary	48.52	50.00	27.44	55.33	49.89	52.63	62.78	72.38	72.38	41.70
052 Knik Elementary	52.81	46.91	59.45	52.26	42.05	52.67	46.00	55.00	42.12	20.93
053 Mchetanz Elementary	32.55	21.62	48.47	21.23	19.21	20.85	21.00	23.00	20.86	37.74
054 Dena'ina Elementary	-	-	-	-	-	47.91	43.00	52.00	55.13	42.31
071 Valley Pathways School	12.57	40.91	41.81	52.38	46.40	48.96	51.00	52.00	49.75	16.18
073 Mat-Su Career & Tech High School	21.71	27.40	42.16	26.63	22.88	21.24	24.00	26.00	19.59	39.51
077 Mat-Su Day School	-	-	-	-	34.48	40.00	65.06	44.00	40.00	20.85
080 Joe Redington JR/SR High	-	-	-	-	48.12	49.73	49.00	56.00	49.19	39.78
Average of All Sites	<u>38.19%</u>	<u>39.50%</u>	<u>39.98%</u>	<u>40.02%</u>	<u>40.42%</u>	<u>41.22%</u>	<u>44.00%</u>	<u>47.65%</u>	<u>43.59%</u>	<u>33.46%</u>

**Notes:**

- <sup>a</sup> Presenting the above information has relevancy for grant application purposes and the ongoing analysis with the Department of Instruction regarding impact of socioeconomic status on student achievement. Studies have shown an extremely high correlation between socioeconomic status and student performance.

**Source:**

Alaska Department of Education and Early Development Website

**MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT**

Table 19  
Operating Statistics  
Last Ten Fiscal Years

Fiscal Year	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil	Percentage Change	Employer's Contribution to PERS / TRS	State of Alaska's Contribution to PERS/TRS on Behalf of the School District
2011-12	17,338	254,553,617	14,682	1.92%	16,410,501	28,752,528
2012-13	17,247	270,070,574	15,659	6.65%	16,410,502	38,318,248
2013-14	17,477	281,351,715	16,098	2.81%	17,489,763	41,046,226
2014-15	17,757	505,096,292	28,445	76.69%	18,270,165	253,789,647
2015-16	18,465	287,470,258	15,568	-45.27%	19,166,901	17,920,091
2016-17	18,809	291,946,381	15,522	-0.30%	19,595,619	16,242,978
2017-18	18,968	279,166,469	14,717	-5.18%	19,060,722	15,444,055
2018-19	18,932	287,915,181	15,208	3.33%	18,696,674	18,175,456
2019-20	19,080	287,623,008	15,075	-0.88%	19,639,042	20,227,731
2020-21	17,885	311,101,187	17,395	15.39%	20,863,857	20,863,857

- Notes:**
- a Operating expenditures are total expenditures in governmental funds.
  - b Each year the Matanuska-Susitna Borough School District reports the average number of students enrolled in elementary, middle, and high school classes. Average class size beginning FY13 reflects the number of students enrolled in all classes throughout the district except correspondence study.
  - c Eligible student for free and reduced lunch provided by Cybersoft Nutrition Services software. Information for all sites, including non-meal program participants.

**Source:** Average class size is taken from the Synergy Student Info System processed by IT Department for Instruction Dept.

**MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT**

Table 19

Operating Statistics

Last Ten Fiscal Years, continued

Total Cost of Contribution to PERS/TRS Per Pupil	Percentage Change	Average Class Size <sup>b</sup>			Percentage of Students Eligible for Free or Reduced-Price Meals <sup>c</sup>
		Elementary Schools	Middle Schools	Senior High Schools	
2,605	9.63%	24.3	26.5	28.1	38.2%
3,173	21.82%	22.0	24.8	22.0	39.5%
3,349	5.55%	23.5	25.6	23.8	40.0%
15,321	357.44%	23.5	25.6	28.7	40.0%
2,009	-86.89%	25.0	27.1	26.3	40.4%
1,905	-5.13%	23.4	24.8	28.5	41.2%
1,819	-4.53%	21.1	28.4	20.8	44.0%
1,948	7.07%	23.9	25.4	21.2	47.7%
2,089	7.28%	22.4	22.6	20.1	43.6%
2,333	11.66%	20.8	19.7	19.0	33.5%

# MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Table 20

Comparative Results from College Entrance Exams

Last Ten School Years

School Year	American College Test (ACT)			Scholastic Assessment Test (SAT)		
	Mat-Su	Alaska	Nation	Mat-Su	Alaska	Nation
2011-12	22.5	21.2	21.1	1,527	1,504	1,498
2012-13	23.8	21.1	20.9	1,515	1,495	1,498
2013-14	22.3	21.0	21.0	1,509	1,485	1,497
2014-15	22.3	21.1	21.0	1,503	1,494	1,490
2015-16	20.3	20.0	20.8	1,396	1,424	1,484
2016-17	20.5	19.8	21.0	a 1,039	a 1,080	a 1,070
2017-18	22.1	20.8	20.9	1,095	1,106	1,049
2018-19	21.9	20.1	20.7	1,101	1,096	1,039
2019-20	22.2	20.6	20.6	1,148	1,098	1,051
2020-21	22.4	20.1	20.3	1,096	1,105	1,163

**Source:** Results of the ACT are comprised of all grade level students who tested that year. Scores reflect average composite score.

- a In FY17, the SAT format changed from prior years. The new format includes an evidence-based reading and writing section (ERW), a math section, and an optional essay. Scores reflect the combined average ERW and math scores. From FY08 through FY16 the SAT was comprised of three sections: math, reading, and writing.  
[http://www.act.org/content/dam/act/secured/documents/cccr2020/CCCR\\_National\\_2021.pdf](http://www.act.org/content/dam/act/secured/documents/cccr2020/CCCR_National_2021.pdf)  
<https://reports.collegeboard.org/sat-suite-program-results/detailed-2021-reports>

**MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT**

Table 21  
Enrollment by School  
For the Fiscal Year Ended June 30, 2021

	Per DEED Report	
	Average Daily Membership	Official Enrollment Count
<b>Elementary Schools</b>		
Beryozava	16.00	16.00
Big Lake	292.98	292.38
Butte	231.15	230.90
Cottonwood Creek	350.10	348.10
Dena'ina Elementary	330.53	330.18
Finger Lake	352.80	352.35
Fred & Sara Machetanz Elementary	422.63	422.63
Glacier View	36.50	36.40
Goose Bay	228.67	228.67
Knik	223.60	222.40
Iditarod	344.00	343.95
John Shaw Elementary	398.40	397.68
Larson	321.85	321.55
Meadow Lakes	256.55	256.10
Pioneer Peak	392.80	392.80
Sherrod	367.65	367.65
Snowshoe	275.50	275.45
Sutton	44.50	44.50
Swanson	345.85	344.50
Talkeetna	66.50	66.50
Tanaina	322.80	322.50
Trapper Creek	13.00	13.00
Willow	106.55	106.55
<b>Secondary Schools</b>		
Burchell Alternative High School	199.25	199.25
Colony High School	995.88	994.74
Colony Middle School	588.40	587.90
Houston High School	377.12	374.42
Houston Middle School	241.65	241.65
Joe Redington JR/SR High School	535.70	752.65
Mat-Su Career & Tech High School	752.75	209.40
Mat-Su Middle College School	209.50	658.93
Palmer High School	658.93	495.55
Palmer Middle School	496.60	533.65
Su-Valley High School	175.50	172.90
Teeland Middle School	712.95	711.90
Valley Pathways Alternative	156.30	156.30
Wasilla High School	747.85	747.60
Wasilla Middle School	568.10	567.45
<b>Charter Schools</b>		
Academy Charter	254.00	253.95
American Charter	175.05	174.20
Birchtree Charter	354.60	353.80
Fronteras Charter	312.30	310.75
Midnight Sun Family Learning Center	172.45	172.45
Twindly Bridge Charter	558.60	558.60
<b>Other Schools</b>		
Mat-Su Central School	2,831.80	2,831.27
Mat-Su Day School	77.95	77.95
Mat-Su Youth Facility	15.00	15.00
<b>Total</b>	<b>17,909.14</b>	<b>17,885.13</b>

**Source:**

State of Alaska - Department of Education and Early Development

**MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT**

Table 22

Enrollment History by Grade Level  
Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>PK</b>	<b>KG</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>Total Elem</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>Total JR</b>
2011-12	119	1,413	1,305	1,327	1,257	1,270	1,294	<b>7,984</b>	1,357	1,292	1,273	<b>3,923</b>
2012-13	116	1,334	1,405	1,350	1,351	1,239	1,293	<b>8,087</b>	1,304	1,382	1,292	<b>3,978</b>
2013-14	113	1,323	1,383	1,430	1,374	1,358	1,261	<b>8,242</b>	1,298	1,297	1,379	<b>3,975</b>
2014-15	94	1,348	1,380	1,417	1,458	1,410	1,408	<b>8,515</b>	1,267	1,335	1,320	<b>3,922</b>
2015-16	108	1,489	1,386	1,389	1,490	1,508	1,447	<b>8,817</b>	1,451	1,314	1,392	<b>4,158</b>
2016-17	114	1,420	1,511	1,436	1,442	1,516	1,538	<b>8,977</b>	1,474	1,448	1,340	<b>4,262</b>
2017-18	116	1,440	1,430	1,532	1,437	1,444	1,517	<b>8,915</b>	1,552	1,490	1,454	<b>4,496</b>
2018-19	119	1,513	1,435	1,410	1,520	1,478	1,472	<b>8,947</b>	1,523	1,530	1,469	<b>4,522</b>
2019-20	100	1,444	1,469	1,488	1,447	1,566	1,510	<b>9,024</b>	1,519	1,544	1,529	<b>4,592</b>
2020-21	92	1,360	1,340	1,367	1,335	1,338	1,401	<b>8,234</b>	1,396	1,397	1,420	<b>4,212</b>
<b>Projected Enrollment</b>												
2021-22	100	1,443	1,502	1,497	1,505	1,476	1,480	<b>9,003</b>	1,439	1,463	1,460	<b>4,362</b>

**Source:** State of Alaska - Department of Education and Early Development  
Average daily membership final report for the fiscal year reporting

**MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT**

Table 22

Enrollment History by Grade Level  
Last Ten Fiscal Years, continued

9	10	11	12	Total SR	Grand Total	Change	Percentage Change
1,289	1,335	1,357	1,450	5,431	17,338	#REF!	#REF!
1,281	1,262	1,277	1,363	5,183	17,247	(90)	-0.52%
1,299	1,274	1,272	1,414	5,260	17,477	229	1.31%
1,386	1,312	1,269	1,353	5,319	17,756	280	1.58%
1,383	1,416	1,315	1,378	5,491	18,466	710	3.84%
1,393	1,374	1,411	1,392	5,570	18,809	343	1.82%
1,366	1,376	1,349	1,466	5,557	18,968	160	0.84%
1,445	1,348	1,303	1,367	5,463	18,932	(36)	-0.19%
1,473	1,435	1,282	1,274	5,464	19,080	148	0.78%
1,472	1,399	1,363	1,204	5,438	17,885	(1,195)	-6.30%
1,542	1,450	1,421	1,357	5,770	19,135	1,250	6.99%

**MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT**

Table 23  
School Building Information  
Last Ten Fiscal Years

		Fiscal Year										
Type of School		2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Elementary												
Beryozava												
<sup>a</sup> Square Feet	1,920	1,920	1,920	1,920	1,920	1,920	1,920	1,920	1,920	1,812	2,880	2,880
Capacity	17	17	17	17	17	17	17	17	17	17		
Enrollment	20	22	17	19	22	28	19	28	28	28	16	
Big Lake Elementary												
Square Feet	57,240	57,240	57,240	57,240	58,200	58,200	58,200	58,200	58,200	58,200	57,240	57,240
Capacity	502	502	502	502	511	511	511	511	511	511		
Enrollment	412	417	429	468	449	388	374	419	356	292		
Butte Elementary												
Square Feet	49,550	49,550	49,550	49,550	49,550	49,550	49,550	49,550	49,550	49,550	49,550	49,550
Capacity	435	435	435	435	435	435	435	435	435	435		
Enrollment	297	284	287	305	278	274	279	280	292	231		
Cottonwood Creek Elementary												
Square Feet	51,470	49,550	49,550	49,550	49,550	53,390	53,390	53,457	53,174	53,174	53,174	53,174
Capacity	451	435	435	435	435	468	468	469	494			
Enrollment	373	429	446	467	505	493	456	447	461	348		
Dena'ina Elementary												
Square Feet					School Opened	46,010	46,010	46,970	46,970	46,970	46,970	46,970
Capacity						403	403	412	412			
Enrollment					7.1.16	401	393	366	369	330		
Finger Lake Elementary												
Square Feet	54,417	53,457	53,457	53,457	54,417	54,417	54,417	54,417	54,417	54,417	54,417	54,417
Capacity	477	469	469	469	477	477	477	477	477			
Enrollment	306	294	296	263	315	368	384	402	413	352		
Glacier View School												
Square Feet	20,343	20,343	20,343	20,343	20,343	20,343	20,343	21,343	21,343	21,343	21,343	21,343
Capacity	178	178	178	178	178	178	178	187	187			
Enrollment	38	43	39	28	31	32	33	40	53	36		
Goose Bay Elementary												
Square Feet	54,417	53,457	53,457	53,457	53,457	53,457	53,457	53,457	53,457	53,457	53,457	53,457
Capacity	465	465	465	465	465	465	465	465	465			
Enrollment	464	469	480	465	483	319	306	274	273	229		
Iditarod Elementary												
Square Feet	62,598	45,902	45,902	45,902	51,347	52,307	53,267	51,567	51,567	51,567	51,567	51,567
Capacity	549	403	403	403	450	459	459	452	452			
Enrollment	354	364	337	312	347	382	417	420	401	344		
Knik Elementary												
Square Feet	55,338	51,533	51,533	51,533	53,378	52,418	52,418	51,533	51,533	51,533	51,533	51,533
Capacity	485	452	452	452	468	460	460	452	452			
Enrollment	400	403	439	459	495	283	282	325	316	222		
Larson Elementary												
Square Feet	54,378	54,378	54,378	54,378	54,378	54,378	54,378	54,378	54,378	54,378	54,378	54,378
Capacity	477	477	477	477	477	477	477	477	477			
Enrollment	391	385	385	378	390	409	391	402	422	322		
Machetan Elementary												
Square Feet	53,519	52,000	52,000	52,000	54,479	55,439	55,439	52,960	52,960	52,960	52,960	52,960
Capacity	469	456	456	456	478	486	486	465	465			
Enrollment	452	405	407	423	462	472	441	447	475	423		
Meadow Lakes Elementary												
Square Feet	56,298	54,378	54,378	54,378	54,378	54,378	54,378	561,190	56,190	56,190	56,190	56,190
Capacity	494	477	477	477	477	477	477	4,923	477			
Enrollment	410	400	412	440	433	418	398	363	315	256		
Pioneer Peak Elementary												
Square Feet	49,550	48,944	48,944	48,944	50,510	50,510	50,510	49,904	49,904	49,904	49,904	49,904
Capacity	435	429	429	429	443	443	443	438	463			
Enrollment	353	360	398	389	423	431	431	433	455	393		
Shaw Elementary												
Square Feet	54,300	54,300	54,300	54,300	54,300	54,300	54,300	54,300	57,180	57,180	57,180	57,180
Capacity	476	476	476	476	476	476	476	476	501			
Enrollment	366	418	393	406	425	407	427	462	482	398		
Sherrod Elementary												
Square Feet	54,378	54,700	54,700	54,700	54,378	54,378	54,378	54,700	54,700	54,700	54,700	54,700
Capacity	477	480	480	480	477	477	477	480	480			
Enrollment	448	452	439	455	442	428	436	421	451	368		
Snowshoe Elementary												
Square Feet	50,510	49,550	49,550	49,550	50,510	50,510	50,510	49,550	50,510	50,510	50,510	50,510
Capacity	443	435	435	435	443	443	443	435	435			
Enrollment	380	380	382	399	418	406	370	388	380	275		
Sutton Elementary												
Square Feet	25,414	25,414	25,414	25,414	25,414	25,414	25,414	25,414	25,414	25,414	25,414	25,414
Capacity	223	223	223	223	223	223	223	223	223			
Enrollment	58	42	38	51	55	60	66	59	61	45		
Swanson Elementary												
Square Feet	51,095	51,335	51,335	51,335	51,335	51,335	51,335	51,335	51,335	51,335	51,335	51,335
Capacity	448	450	450	450	450	450	450	450	450			
Enrollment	455	443	426	420	426	447	451	449	454	345		

**MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT**

Table 23  
School Building Information  
Last Ten Fiscal Years

	Fiscal Year										
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
<b>Elementary, continued</b>											
Talkeetna Elementary											
Square Feet	28,595	28,125	28,125	28,125	28,595	28,595	28,595	28,125	28,125	28,125	28,125
Capacity	251	247	247	247	251	251	251	247	247		
Enrollment	92	76	89	88	105	112	100	107	100	67	
Tanaina Elementary											
Square Feet	53,457	53,457	53,457	53,457	56,337	57,297	57,297	54,417	54,417	54,417	54,417
Capacity	469	469	469	469	494	503	503	477	477		
Enrollment	395	408	426	453	462	424	416	393	380	323	
Trapper Creek Elementary											
Square Feet	16,080	16,080	16,080	16,080	16,080	16,080	16,080	16,080	16,080	16,080	16,080
Capacity	141	141	141	141	141	141	141	141	141		
Enrollment	35	35	31	32	22	24	22	23	18	13	
Willow Elementary											
Square Feet	33,797	33,797	33,797	33,797	34,757	34,757	34,757	34,757	34,757	34,757	34,757
Capacity	296	296	296	296	305	305	305	305	305		
Enrollment	135	124	114	136	134	131	139	146	140	107	
<b>Middle School</b>											
Colony Middle School											
Square Feet	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000
Capacity	727	727	727	727	727	727	727	727	727		
Enrollment	633	636	651	665	726	743	762	781	799	588	
Houston Middle School											
Square Feet	93,152	93,152	93,152	93,152	93,152	93,152	93,152	93,152	93,152	-	-
Capacity	565	565	565	565	565	565	565	565	-		
Enrollment	403	372	390	327	307	339	379	383	355	300	
Palmer Middle School											
Square Feet	128,452	128,452	128,452	128,452	128,452	128,452	128,452	128,452	128,452	128,452	128,452
Capacity	778	778	778	778	778	778	778	778	778		
Enrollment	634	602	641	590	609	559	570	565	579	496	
Teeland Middle School											
Square Feet	134,539	135,000	135,000	135,000	135,403	135,403	135,403	135,000	135,000	135,000	135,000
Capacity	815	818	818	818	821	821	821	818	818		
Enrollment	675	713	697	724	747	746	774	798	796	712	
Wasilla Middle School											
Square Feet	136,518	124,809	124,809	124,809	131,718	129,798	129,798	126,729	126,729	126,729	126,729
Capacity	827	756	756	756	798	787	787	768	768		
Enrollment	824	826	798	719	525	583	642	653	670	567	
<b>Secondary</b>											
Colony High School											
Square Feet	194,960	194,000	194,000	194,000	194,960	194,960	194,960	194,000	194,000	194,000	194,000
Capacity	1,182	1,176	1,176	1,176	1,182	1,182	1,182	1,176	1,176		
Enrollment	1,178	1,094	1,102	1,120	1,117	1,135	1,121	1,054	1,025	995	
Houston High School											
Square Feet	88,240	88,240	88,240	88,240	88,240	88,240	88,240	99,760	99,760	99,760	99,760
Capacity	535	535	535	535	535	535	535	605	605		
Enrollment	409	389	376	387	391	389	365	345	330	316	
Joe Redington Sr Jr/Sr High School											
Square Feet				School	107,306	107,306	107,306	98,840	98,840	98,840	98,840
Capacity				Opened	650	650	650	599	650		
Enrollment				7.1.15	459	521	605	601	597	534	
Mat-Su Career & Technical High School											
Square Feet	81,025	75,400	75,400	75,400	114,085	115,005	116,925	100,280	102,200	100,280	100,280
Capacity	491	457	457	457	691	697	709	608	658		
Enrollment	423	436	423	457	540	581	654	700	732	753	
Palmer High School											
Square Feet	196,606	196,606	196,606	196,606	196,606	196,606	196,606	196,606	196,606	196,606	196,606
Capacity	1,192	1,192	1,192	1,192	1,192	1,192	1,192	1,192	1,192		
Enrollment	797	764	785	762	772	807	753	745	729	659	
Su-Valley Jr/Sr High School											
Square Feet	50,578	50,578	50,578	50,578	50,578	50,578	50,578	50,578	50,578	50,578	50,578
Capacity	307	307	307	307	307	307	307	307	307		
Enrollment	174	164	165	177	188	189	187	204	202	173	
Wasilla High School											
Square Feet	211,246	200,326	200,326	200,326	200,326	200,326	200,326	203,206	203,206	203,126	203,126
Capacity	1,280	1,214	1,214	1,214	1,214	1,214	1,214	1,232	1,232		
Enrollment	1,279	1,236	1,202	1,159	1,067	1,029	919	886	850	748	
Burchell Alternative High School											
Square Feet	37,482	33,794	33,794	33,794	38,282	38,282	38,282	44,354	33,634	33,634	33,634
Capacity	227	205	205	205	232	232	232	269	269		
Enrollment	259	180	265	287	311	253	199	196	213	199	
Valley Pathways Alternative High School											
Square Feet	11,520	11,520	47,792	47,792	47,792	47,792	47,792	47,792	47,792	47,792	47,792
Capacity	70	70	290	290	290	290	290	290	290		
Enrollment	180	162	170	196	204	179	183	178	182	156	

**MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT**

Table 23  
School Building Information  
Last Ten Fiscal Years

	Fiscal Year										
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
<b>Charter Schools</b>											
Academy Charter											
Square Feet	28,414	33,880	50,934	50,934	50,934	50,934	50,934	50,934	50,934	51,934	51,934
Capacity	172	205	309	309	309	309	309	309	309		
Enrollment	231	237	236	234	241	244	248	254	254	254	
American Charter (Formerly MV)											
<sup>a</sup> Square Feet	6,400	6,400	6,400	6,400	6,400	6,400	6,400	6,400	6,400	6,400	6,400
Capacity	39	39	39	39	39	39	39	39	80		
Enrollment	212	188	191	188	174	188	210	195	197	174	
Birchtree Charter											
<sup>a</sup> Square Feet	31,400	35,000	35,000	35,000	43,000	43,000	43,000	44,920	44,920	44,920	44,920
Capacity	190	212	212	212	261	261	261	272	272		
Enrollment	289	308	329	364	391	413	412	396	396	354	
Fronteras Charter											
Square Feet	17,250	17,250	17,250	17,250	31,000	34,840	34,840	32,800	32,800	32,800	32,800
Capacity	105	105	105	105	188	211	211	199	211		
Enrollment	214	220	231	247	248	289	288	310	325	311	
Midnight Sun Family Learning Center											
<sup>a</sup> Square Feet	17,956	19,216	19,216	19,216	22,816	22,816	22,816	22,816	22,816	22,816	22,816
Capacity	109	116	116	116	138	138	138	138	138		
Enrollment	164	167	164	192	189	184	192	193	205	172	
Twindly Bridge Charter											
Square Feet	7,294	7,294	7,294	7,294	7,294	7,294	7,294	12,620	12,620	12,620	12,620
Capacity	44	44	44	44	44	44	44	76	76		
Enrollment	298	292	262	317	394	451	478	478	471	559	
<b>Other MSBSD Schools</b>											
Mat-Su Middle College School											
<sup>a</sup> Square Feet	School							31,160	31,160	31,160	31,160
Capacity	Opened	100	100	100	100	100	100	189	189		
Enrollment	7.1.12	37	82	93	89	117	160	177	193	209	
Mat-Su Day School											
Square Feet	4,800	4,800	21,500	21,500	23,300	23,300	23,300	21,500	21,500	21,500	21,500
Capacity	29	29	130	130	141	141	141	130	141		
Enrollment	57	65	77	68	76	85	88	86	72	78	
Mat-Su Central School (Formerly Correspondence Study School)											
<sup>a</sup> Square Feet	18,421	18,500	18,500	18,500	18,500	18,500	18,500	20,309	20,309	20,309	20,309
Capacity	112	112	112	112	112	112	112	123	123		
Enrollment	1,359	1,490	1,512	1,614	1,561	1,633	1,732	1,645	1,801	2,831	
Mat-Su Youth Facility											
<sup>a</sup> Square Feet	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capacity	15	15	15	15	15	15	15	15	15	15	15
Enrollment	11	15	15	15	15	15	15	15	15	15	15
<b>TOTAL ENROLLMENT</b>	<b>17,338</b>	<b>17,247</b>	<b>17,477</b>	<b>17,757</b>	<b>18,465</b>	<b>18,809</b>	<b>18,968</b>	<b>18,932</b>	<b>19,080</b>	<b>17,885</b>	<b>15</b>

**Notes:**

<sup>a</sup> Indicates a use of facility not owned by MSBSD.

**Source:** School District Operations & Maintenance Department.

# Single Audit Section



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3601 C Street, Suite 600  
Anchorage, AK 99503

## **Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

Members of the School Board  
Matanuska-Susitna Borough School District  
Palmer, Alaska

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Matanuska-Susitna Borough School District (the District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 15, 2021.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*BDO USA, LLP*

Anchorage, Alaska  
November 15, 2021



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Fax: 907-278-5779  
www.bdo.com

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Anchorage, AK 99503

## **Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance**

Members of the School Board  
Matanuska-Susitna Borough School District  
Palmer, Alaska

### **Report on Compliance**

#### ***Opinion on Compliance for Each Major Federal Program***

We have audited Matanuska-Susitna Borough School District's (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2021. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

#### ***Basis for Opinion***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit does not provide a legal determination of the District's compliance with the types of compliance requirements referred to above.

#### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the types of compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the types of compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of the federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the types of compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*BDO USA, LLP*

Anchorage, Alaska  
November 15, 2021



Tel: 907-278-8878  
Fax: 907-278-5779  
www.bdo.com

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## **Independent Auditor's Report on Compliance for Each Major State Program and Report on Internal Control Over Compliance Required by the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits***

Members of the School Board  
Matanuska-Susitna Borough School District  
Palmer, Alaska

### **Report on Compliance**

#### ***Opinion on Compliance for Each Major State Program***

We have audited Matanuska-Susitna Borough School District's (the District) compliance with the types of compliance requirements described in the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* that could have a direct and material effect on each of the District's major state programs for the year ended June 30, 2021. The District's major state programs are identified in the accompanying Schedule of State Financial Assistance.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2021.

#### ***Basis for Opinion***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States; and the audit requirements of the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*. Our responsibilities under those standards and the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit does not provide a legal determination of the District's compliance with the types of compliance requirements referred to above.

#### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, state statutes, regulations, and the terms and conditions of its state awards applicable to its state programs.

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### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the types of compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the types of compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of the state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the types of compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*. Accordingly, this report is not suitable for any other purpose.

BDO USA, LLP

Anchorage, Alaska  
November 15, 2021

**Matanuska-Susitna Borough School District**  
(A Component Unit of the Matanuska-Susitna Borough)

**Schedule of Findings and Questioned Costs**  
**Year Ended June 30, 2021**

**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

☐ yes

☒ no

Significant deficiency(ies) identified?

☐ yes

☒ (none reported)

Noncompliance material to financial statements noted?

☐ yes

☒ no

**Federal Awards**

Internal control over major federal programs:

Material weakness(es) identified?

☐ yes

☒ no

Significant deficiency(ies) identified?

☐ yes

☒ (none reported)

Type of auditor's report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)

☐ yes

☒ no

Identification of major federal programs:

<i>Assistance Listing Numbers</i>	<i>Name of Federal Program or Cluster</i>	<i>Agency</i>
84.011	Migrant Education State Grant Program	U.S. Dept. of Education
84.027/84.173	Special Education Cluster (IDEA)	U.S. Dept. of Education
84.425D	Education Stabilization Fund	U.S. Dept. of Education

Dollar threshold used to distinguish between Type A and Type B programs: \$ 973,105

Auditee qualified as low-risk auditee?

☒ yes

☐ no

**State Financial Assistance**

Internal control over major state programs:

Material weakness(es) identified?

☐ yes

☒ no

Significant deficiency(ies) identified?

☐ yes

☒ (none reported)

Type of auditor's report issued on compliance for major state programs:

Unmodified

Dollar threshold used to distinguish a state major program:

\$ 500,000

**Matanuska-Susitna Borough School District**  
**(A Component Unit of the Matanuska-Susitna Borough)**

**Schedule of Findings and Questioned Costs, continued**  
**Year Ended June 30, 2021**

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<b>Section II - Financial Statement Findings Required to be Reported in Accordance with <i>Government Auditing Standards</i></b>
--

There were no findings related to the financial statements which are required to be reported in accordance with the standards applicable to financial audits contained in *Government Auditing Standards*.

<b>Section III - Federal Award Findings and Questioned Costs</b>
--

There were no findings and questioned costs for federal awards (as defined in section 2 CFR 200.516(a)) that are required to be reported.

<b>Section IV - State Award Findings and Questioned Costs</b>
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There were no findings and questioned costs for State awards (as defined in the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*) that are required to be reported.

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## Unaudited Information

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**Summary Schedule of Prior Audit Findings**  
**Year Ended June 30, 2021**

Finding 2020-001

Significant Deficiency in Internal Controls Over Compliance - Allowable Activities and Allowable Costs

<i>Award Year</i>	<i>Agency and Pass-through Entity</i>	<i>Federal Program Title</i>	<i>Federal Assistance Listing Number</i>	<i>Grant Number</i>
2020	Department of Education - passed through the State of Alaska	Title I Grants to Local Educational Agencies	84.010	IP 20.MSSD.01, SI 19.MSSD.02, SI 20.MSSD.03, ND 20.MSSD.01
2020	Department of Education - passed through the State of Alaska	Supporting Effective Instruction State Grants	84.367	IP 20.MSSD.01

*Condition*

Procedures and controls were developed by the school district to review that actual hours worked agree to amounts expensed.

During our audit we noted two instances where the time and effort studies for percentage of payroll charged to federal grants did not agree to the amounts charged to the federal program.

*Status*

Considered Resolved.



Colony Middle School Art Department  
Student Portraits

*We prepare all students for success*